

## NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Audit and Governance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Wednesday, 27 September 2023 at 6.00 pm.

PRESENT: Councillor P Harris (Chairman)

Councillor R Cozens, Councillor S Crosby, Councillor S Haynes, Councillor J Kellas, Councillor J Lee and Councillor M Shakeshaft

APOLOGIES FOR ABSENCE: Councillor S Forde (Vice-Chairman), Councillor A Freeman (Committee Member), Councillor S Michael (Committee Member), Councillor C Penny (Committee Member) and Councillor T Thompson (Committee Member)

### 16 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

There were no declarations of interest.

### 17 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

The Chair advised that the proceedings were being recorded by the Council and that the meeting was being livestreamed and broadcast from the Civic Suite, Castle House.

### 18 MINUTES OF THE MEETING HELD ON 14 JUNE 2023

The minutes of the meeting held on 14 June 2023 were agreed as a correct record and signed by the Chair.

### 19 HOUSING OMBUDSMAN INVESTIGATION OUTCOME

The Committee considered the report of the Business Manager – Customer Services which sought to update Members of the outcome of a recent Housing Ombudsman investigation. Details of the complaint made were provided together with the findings of the Housing Ombudsman that there had been no maladministration by the Council. They had found that the Council had acted appropriately and in accordance with its policy, which gave it discretion as to whether it would carry out complex adaptations or seek suitable alternative accommodation.

In response to where the results of the Housing Ombudsman findings would be reported, the Assistant Director – Legal & Democratic Services/Monitoring Officer advised that in addition to the Audit & Governance Committee, it was also published on the Council's website.

In noting the comments of the Housing Ombudsman, a Member queried what steps were being taken to avoid such a situation arising again. The Assistant Director referred to the finding that there had been no maladministration and therefore there were no specific 'lessons' to be learned. She added that all Officers were due to attend Customer Complaints training.

AGREED (unanimously) that the findings of the Housing Ombudsman be noted.

20 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN ANNUAL REVIEW UPDATE

The Committee considered the report of the Business Manager – Customer Services which sought to inform Members of the Local Government & Social Care Ombudsman's (LGSCO) annual review updates. The report noted that it was a requirement for the Annual Review Letters to be shared with Members with the letter detailing the number of complaints received by the LGSCO and the number of decisions made thereon. The number of complaints received and the outcome of each decision were summarised within the report together with anonymised details of 6 of the complaints reviewed and closed. Appended to the report were complaint response letter templates and reference to the appointment of Councillor Mike Pringle, as the lead member for complaints.

In considering the report, a Member noted that a review of the Council's Customer Feedback Policy had been carried out against the Housing Ombudsman complaint handling code which had resulted in slight amendments to the Policy, querying how frequently the Policy was refreshed to check that it was remained relevant. The Chair advised that he would raise the matter with the Chair of the Policy & Performance Improvement Committee and provide members of the Committee with feedback thereon. It was further noted that training on the complaints toolkit had been delivered to all staff who responded to complaints, approximately 100 members of staff.

AGREED that the report be noted.

21 COUNCILLOR TRAINING AND DEVELOPMENT

The Committee considered the report of the Business Manager – Elections & Democratic Services which sought to provide Members with information as to the review undertaken of the May/June 2023 induction training programme and asking that consideration be given to further Member training and development. The report detailed the events delivered as part of the induction and training programme, both in-house and via the East Midlands Councils' training offer. It was further reported that the Council was rolling out climate awareness training for all staff and that it would also be made available for Councillors. Equality & Diversity training was also being rolled out to all staff and Councillors. The report set out that it was proposed to deliver further training in relation to the role and responsibilities of the councillor and meeting procedures. The programme of e-learning modules offered by the Local Government Association were also listed and that these would be promoted to Members.

In considering the report, a Member noted that it was sometimes difficult to undertake online training as there were no desks designated specifically for Members within Castle House. The Assistant Director advised that as of 2 October, staff working arrangements were changing and there would be 'hot desks' available for both Officers and Members. It was also noted that meeting rooms could be booked on behalf of Members on request.

A Member commented that some of the training provided had been useful but noted that Members would benefit from a greater understanding of some aspects of being a Councillor, e.g. Code of Conduct training. He suggested that it would be beneficial if Members undertook a skills audit as to their understanding of topics covered by the training provided and that this be done prior to the development of a new training programme.

In noting the proposal to deliver further training for Members in relation to the role and responsibilities of a councillor and meeting procedures, together with promotion of the LGA skills-based offer, the Assistant Director advised that prior to this, she would discuss any possible additional training needs with the Chair and Vice-Chair of the Committee.

AGREED (unanimously) that:

- a) further training be delivered for Councillors as soon as practicable, in relation to the role and responsibilities of the councillor and meeting procedures; and
- b) Councillors be made aware of the Local Government Association online training offer and the training materials available on the Members' Intranet.

## 22 REPORT OF THE INDEPENDENT REMUNERATION PANEL

The Committee considered the report of the Business Manager – Elections & Democratic Services which set out the report of the Independent Remuneration Panel (IRP) regarding the Scheme of Members' Allowances for 2023/24. The scope of the review was to consider the change in the Council's Cabinet arrangements and any wider implications. It was also to ensure the Scheme remained fit for purpose. The Panel was also asked to consider the special responsibility allowance paid to the Leader of the Main Opposition Group, to review the current childcare and dependents carers' allowance and to consider the wording of the Members' Allowance Scheme covering allowances made to Leaders of Minority Opposition Groups. The Panel's findings were appended to the report, noting that it was scheduled to be considered by full Council on 17 October 2023.

In querying the cost implications of actioning the additional budget requirement, a Member sought clarification as to whether this would be met from the Corporate Contingency Budget for this and future years. The Business Manager – Financial Services advised that the monies for 2023/24 would be paid from the Corporate Contingency Budget but that it would be added to base budgets for 2024/25 onwards.

In noting that the IRP had found that the functions of the new Cabinet Portfolios exceeded those of the previous Cabinet in both range and depth, he commented that this would have an impact of the workload for the Chair of the Policy & Performance Improvement Committee but the IRP had recommended no change to the current SRA payment made. In noting and agreeing with the above comment, a Member suggested that the same applied to the Leader of the Opposition as her role was to

cover all portfolios, adding that there appeared to be inconsistencies in the IRP's report.

AGREED (with 6 votes for and 1 against) that:

- a) the report of the Independent Remuneration Panel be noted, prior to its submission to full Council on 17 October 2023; and
- b) the proposal to full Council will be for the in-year additional budget requirement of £19,125 to be financed from the Corporate Contingency budget be noted.

23 AUDIT AND GOVERNANCE COMMITTEE ANNUAL REPORT

The Committee considered the report of the Business Manager – Financial Services which sought to inform Members of the activity undertaken by the Audit & Governance Committee during the 2022/23 financial year. Detailed within the report were the responsibilities discharged by the Committee, as described within the Council's Constitution from April 2022 to June 2023.

AGREED (unanimously) that the report be noted)

24 GOING CONCERN STATUS OF THE COUNCIL

The Committee considered the report of the Business Manager – Financial Services which sought to provide Members with the assessment by the Section 151 Officer of the Council's Going Concern status. The report explained that the concept of a 'going concern' assumes that an authority, its functions and services will continue in operational existence for the foreseeable future. This assumption underpins the accounts drawn up under the Local Authority Code of Accounting Practice and is made because local authorities carry out functions essential to the local community and are themselves revenue-raising bodies (with limits on their revenue-raising powers arising only at the discretion of central government).

AGREED (unanimously) that:

- a) the conclusion of the assessment of the Council's status as a going concern be noted; and
- b) the Statement of Accounts 2022/23 be accounted for on that basis.

25 ANNUAL EXTERNAL AUDIT STRATEGY MEMORANDUM 2022/23

The Committee considered the report of the Business Manager – Financial Services which sought to present the External Audit Strategy Memorandum for the 2022/23 Statement of Accounts work for review and comment. Mr. Mark Surridge, a representative from the External Auditors, Mazars, was present at the meeting and provided Members with a detailed explanation as to the way in which the audit was undertaken.

In considering the report and the appended Memorandum, Members raised a number of queries which were responded to by Mr. Surridge. These included comment as to the impact that the Council's development company had on the Medium Term Financial Plan, what the set criteria was to determine risks, the valuation of buildings and associated risks and what value for money actually meant in relation to an audit.

AGREED (unanimously) that the External Audit Strategy Memorandum be noted.

26 PROJECTED GENERAL FUND AND HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL OUTTURN REPORT TO 31 MARCH 2024 AS AT 30 JUNE 2023

The Committee considered the report of the Business Manager – Financial Services which sought to update Members with the forecast outturn position for the 2023/24 financial year for the Council's General Fund and Housing Revenue Account revenue and capital budgets. The report also provided performance information against the approved estimates of revenue expenditure and income; report on major variances from planned budget performance; and report on variations to the Capital Programme for approval; all in accordance with the Council's Constitution.

In response to a comment that the expected projected outturns would change overtime, the Business Manager – Financial Services confirmed that to be the case. The figures in the report were for Q1. In Q2, Q3 and Q4 would reflect the assumptions and give an indication on whether the forecasts were accurate.

In relation to a Member querying as to the reduction in certain budgets and where the monies had been diverted to, Members were advised that the role of the Audit & Governance Committee was to consider the financial stability of the Council. Changes to budgets and policy decisions would fall within the remit of Cabinet.

AGREED (with 6 votes for and 1 against) that the Audit & Governance Committee note:

- a) the General Fund projected unfavourable outturn variance of £0.130m;
- b) the Housing Revenue Account projected unfavourable outturn variance of £0.131m to the Major Repairs Reserve;
- c) the variations to the Capital Programme at Appendix C;
- d) the Capital Programme revised budget and financing of £109.711m; and
- e) the Prudential indicators as at Appendix F.

27 AUDIT & GOVERNANCE COMMITTEE WORK PLAN

The Committee considered the joint report of the Assistant Director – Legal & Democratic Services and the Business Manager – Financial Services which attached the Committee's work plan for consideration and approval. The work plan listed

reports which would come to the committee for the remainder of the municipal year, together with an indication of their intended outcome.

In considering the work plan, a Member queried whether it was possible to receive the General Fund Budget report prior to February 2024. The Business Manager advised that it would not be possible due to the time constraints of preparing the budget ready for approval at full Council in early March. The Chair advised he would speak to the Director – Resources/S151 in relation to whether the process could be refined to allow the Committee earlier sight of the proposed budget papers.

In response to why the proposed report relating to public speaking at the Planning Committee was being considered at the November meeting, the Assistant Director advised that it fell within the governance remit of the Committee. Members suggested that it would be helpful if the Agenda was split in the future to separate the Audit and Governance items.

AGREED (unanimously) that the work plan be noted.

28 LGA NEWARK AND SHERWOOD DISTRICT COUNCIL CYBER 360 REPORT

The Committee considered the report of the Business Manager – ICT & Digital Services which presented to Members the results of the LGA Newark & Sherwood District Council Cyber 360 Report. The full Cyber 360 Report and Action Plan were attached as exempt appendices to the report for security reasons. The open report detailed the review undertaken and the findings therefrom, noting that significant progress had been made in improving the Council's cyber-security posture.

AGREED (unanimously) that the LGA Newark & Sherwood District Council Cyber 360 Report be noted.

29 EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that under section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

30 LGA NEWARK AND SHERWOOD DISTRICT COUNCIL CYBER 360 REPORT APPENDICES A AND B

The Committee considered the exempt appendices of the LGA Newark & Sherwood District Council Cyber 360 Report.

(Summary provided in accordance with Section 199C(2) of the Local Government Act 1972.)

Meeting closed at 7.57 pm.

Chairman