

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, 24 April 2024 at 6.00 pm.

PRESENT: Councillor P Harris (Chair) - delayed arrival
Councillor S Forde (Vice-Chair) – due to Councillor Harris's delayed arrival Councillor Forde chaired the open part of the meeting

Councillor R Cozens, Councillor A Freeman, Councillor J Hall, Councillor J Kellas, Councillor S Michael and Councillor C Penny and Mr C Richardson (Non-Voting Co-Optee)

APOLOGIES FOR ABSENCE: Councillor S Haynes, Councillor J Lee, Councillor M Shakeshaft and Councillor T Thompson

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

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

64 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

Councillor Forde and Councillor Freeman declared an interest in Active4Today which is referred to as part of the Agenda.

65 MINUTES OF THE MEETING HELD ON 21 FEBRUARY 2024

AGREED that the minutes of the meeting held on 21 February 2024 be approved as a correct record and signed by the Vice-Chair.

66 INTERNAL AUDIT PROGRESS REPORT 2023/24

The Committee considered the report from Philip Lazenby, Director of Audit (TIAA) providing a summary of Internal Audit work undertaken during 2023/24 against the agreed audit plan.

The Audit Plan for 2023/24 had been agreed at the Audit & Governance Committee in April 2023 and then throughout the year reports on the progress made and changes to the plan are then taken to the Audit & Governance Committee.

The Committee discussed the report containing details of reports issued in the last quarter together with a summary of all reports considered this financial year.

AGREED (unanimously) that Members considered and commented upon the latest internal audit progress report and noted its content.

67 EXTERNAL AUDITORS ANNUAL AUDIT COMPLETION REPORT

The Committee considered the report from the Business Manager for Financial

Services presenting the External Auditor's Final Annual Audit Completion Report for Newark and Sherwood District Council for 2022/23.

The representative from Mazars, Nomfundo Magwaza, present at the meeting had provided the report at Appendix A.

From the report the Non-Voting Co-Optee was concerned that 5 Members had not completed declaration of interest forms, the Business Manager for Financial Services advised that this was from the last financial year and that Members were being chased for this year end. Councillor Kellas highlighted that the delay in returning the form could be due to the fact that the form is not straight forward to complete.

AGREED (unanimously) that:

- a) Members received and noted the External Auditors Final Annual Audit Completion Report for 2022/23; and
- b) Members noted the adjustments to the audited financial statements set out in the report.

68 ETHICAL AND FOSSIL FUEL INVESTMENTS

The Committee considered the report from the Business Manager for Financial Services, presenting to Members the Ethical and Fossil Fuel Investment policies of the Investment banks used by the Council.

It was explained to the Committee that if two similar investments were available, the company that has ethical investments policies would be chosen over the non-ethical one.

AGREED (unanimously) that Members noted the policies utilised by the Investment banks used by the Council.

69 STRATEGIC RISK MANAGEMENT

The Committee considered the report from the Safety and Risk Manager providing an update to members highlighting the Council's 2024/25 Strategic Risk Register and its current status.

The report highlighted that in accordance with the Risk Management Policy, a facilitated strategic risk workshop had been undertaken with the Senior Leadership Team (SLT) in January. This workshop evaluated all existing strategic risks and identified emerging risks for the forth coming year.

The Committee acknowledged the new risk register and were also informed of the introduction of a process to review the Contracts Register.

AGREED (unanimously) that Members noted amendments to the Strategic Risk Register and highlighted any issues of concern.

70 STATEMENT OF ACCOUNTING POLICIES 2023/2024

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with updates made to the Council's accounting policies in relation to the closedown of the 2023/2024 financial year.

The report informed at 2.1 of the report the key changes to the code and Appendix A providing the full details.

AGREED (unanimously) that Members approved the amended Statement of Accounting Policies for 2023/2024.

71 UNDERLYING PENSION ASSUMPTIONS FOR 2023/2024 STATEMENT OF ACCOUNTS

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with information regarding the assumptions made by the pension fund actuary in calculating the IAS 19 (International Accounting standard 19 – Employee Benefits) figures to be reported in the 2023/2024 Statement of Accounts.

AGREED (unanimously) that Members noted and approved the assumptions used in the calculation of pension figures for 2023/2024.

72 UNDERLYING VALUATION ASSUMPTIONS FOR 2023/2024 STATEMENT OF ACCOUNTS

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with information regarding the assumptions made by the Valuers in calculating the figures to be reported in the 2023/24 Statement of Accounts, as per the revaluation model approach taken by the Council under IAS 16 (International Accounting Standard 16 – Property, Plant and Equipment).

AGREED (unanimously) that Members noted and approved the assumptions used in the calculation of asset valuation figures for 2023/2024.

73 ANNUAL REVIEW OF THE COUNCIL'S CONSTITUTION

The Committee considered the report from the Assistant Director Legal & Democratic Services, Monitoring Officer providing an annual report to consider any updates or amendments that may be required to the Council's Constitution.

AGREED (unanimously) that the following sections of the Constitution are reviewed by Members of Audit & Governance Committee at an informal workshop, and that proposals are presented at the earliest opportunity to Committee for formal consideration: -

1. The Petition Scheme
2. Full Council Procedure Rules – Petitions and Annual Budget
3. Local Code on Corporate Governance
4. Other minor amendments proposed by the Monitoring Officer

74 REVIEW OF ARRANGEMENTS FOR DEALING WITH CODE OF CONDUCT COMPLAINTS REGARDING COUNCILLORS

The Committee considered the report from the Assistant Director Legal & Democratic Services, Monitoring Officer to commence a review of the Council's Arrangements for dealing with Code of Conduct Complaints regarding Councillors.

One of the Members suggested it would be useful to see how other Councils deal with Code of Conduct Complaints regarding Councillors.

AGREED (unanimously) that the Council's Arrangements for dealing with Code of Conduct Complaints regarding Councillors are reviewed by Members of the Audit & Governance Committee at an informal workshop, and that proposals are presented at the earliest opportunity to the Committee for formal consideration.

75 UPDATE ON LGA NEWARK AND SHERWOOD DISTRICT COUNCIL CYBER 360 REPORT

The Committee considered the report from the Business Manager for ICT & Digital Services providing the updated results of LGA Newark and Sherwood District Council Cyber 360 Report.

AGREED (unanimously) that Members reviewed, commented upon and noted the update on the LGA Newark and Sherwood District Council Cyber 360 Report.

76 AUDIT AND GOVERNANCE COMMITTEE WORK PLAN

The Committee considered the joint report of the Assistant Director Legal & Democratic Services and Monitoring Officer and the Business Manager for Financial Services which attached the Committee's Work Plan for consideration.

The Committee queried if the 'Update on LGA Newark and Sherwood District Council Cyber 360 Report' is required to be provided at every meeting. Suggestions were received to only include a report when an update comes up or leave to the discretion of the Chair.

AGREED (unanimously) that the Work Plan be noted.

77 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.

Councillor Peter Harris joined the meeting

78 UPDATE ON THE LGA NEWARK AND SHERWOOD DISTRICT COUNCIL CYBER 360 ACTION PLAN

The Committee considered the exempt report from the Business Manager for ICT

providing an update on the LGA Newark and Sherwood District Council Cyber 360 Action Plan.

79 DATE OF NEXT MEETING

The next Audit & Governance Committee meeting to be held on Wednesday 3 July 2024.

80 CHAIR FOR JULY MEETING OF AUDIT & GOVERNANCE COMMITTEE IN THE EVENT CHAIR AND VICE CHAIR UNAVAILABLE

The Chair and Vice-Chair informed the Committee that they would both be unavailable for the 3 July 2024 meeting.

The Chair advised that he would be able to attend the Pre-Agenda meeting on the 20 June 2024.

Councillor Andy Freeman volunteered to take on the role as Chair on the 3 July and to also attend the Pre-Agenda meeting.

Meeting closed at 6.57 pm.

Chair