

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall on 14 June 2022 commencing at 2.00 pm.

Present: Councillor John McNeill (Chairman)
Councillor Mrs Jackie Brockway (Vice-Chairman)

Councillor Stephen Bunney
Councillor Mrs Caralyne Grimble
Councillor Mrs Angela White
Councillor Mrs Angela Lawrence
Andrew Morriss

Also Present: Councillor David Dobbie

In Attendance:

Emma Foy Director of Corporate Services and Section 151
Emma Redwood Assistant Director People and Democratic Services
Alastair Simson Principal Auditor, Lincolnshire County Council
Katie Storr Democratic Services & Elections Team Manager
Andrew Warnes Democratic and Civic Officer

Apologies: Councillor Mrs Tracey Coulson
Councillor Christopher Darcel
Alison Adams

Membership: Councillor Mrs Angela Lawrence substituted for Councillor Mrs Tracey Coulson

1 PUBLIC PARTICIPATION PERIOD

There was no public participation.

2 MINUTES OF PREVIOUS MEETING

RESOLVED that the Minutes of the previous Meeting of the Governance and Audit Committee held on 12 April 2022 be approved and signed as a correct record.

3 MEMBERS DECLARATIONS OF INTEREST

There were no declarations of interests made at this point in the meeting.

4 MATTERS ARISING SCHEDULE

With no comment, the Matters Arising Schedule was duly **NOTED**.

5 TO CONSIDER MAKING A RECOMMENDATION TO COUNCIL REGARDING THE FUTURE START TIMES FOR THE GOVERNANCE AND AUDIT COMMITTEE

Members considered a proposal from the Chairman to make a recommendation to Council from the Governance and Audit Committee to amend the start times for the Committee for the rest of the civic year.

The Chairman detailed that at the Annual Council meeting held on 9 May 2022, Members voted to amend the start time of the Governance and Audit Committee. The Chairman then informed that this change was not convenient. To amend any change back to 10 AM, the Chairman stated that the most direct provision was for Committee to make a recommendation.

The Chairman explained that a motion or amendment to rescind or vary a decision made at a meeting of Council within the past six months could not be moved unless at least 10 Members signed a notice of motion or upon the recommendation of a committee. Every such notice or recommendation shall refer to the resolution to be rescinded or varied.

The Chairman then asked the permanent Members of the Committee who were present and a substitute Member for the Committee who was also present. The Chairman referred to a conversation with an absent Member about her opinion on the most suitable time for the Governance and Audit Committee.

Note: Councillor C. Grimble entered the Chamber at 2.06 pm

During this item, multiple issues were raised. Regarding training, Members heard that with the 'Virtual First' policy implemented at the Annual Council meeting on 9 May 2022, training would likely be held in the preceding days before the Committee meeting.

There was also discussion regarding the availability of Councillors and other responsibilities, which included 'dual hatted' councillors and those in work.

As a point of information, the Vice-Chairman clarified that councillors have no right to be released from employment contracts. The Member also clarified that you could not assume you could get a Member to the meeting.

After the discussion, the Chairman stated that the following recommendation should be made to Council. Having been proposed and seconded, on being put to the vote, it was

RESOLVED that it be **RECOMMENDED** to Council that Minute 87 resolution (c) from the Annual Meeting of Council held on 9 May 2022 relating to the commencement time for Governance and Audit Committee be varied, so that the Governance and Audit Committee meet at 10.00 am for the remainder of the civic year.

After taking the vote, the Chairman also suggested that a further amendment be made to the

Constitution, namely: -

To insert into paragraph 5.1 of Part V, the Rules of Procedure:

“Where necessary and expedient, the Head of Paid Service can vary the time of committee meetings in consultation with the Chairman of the Committee, and where practicably, the Committee as well.”

indicating any such amendment would require Council approval.

Having been proposed and seconded, on being put to the vote, it was

FURTHER RESOLVED that it be **RECOMMENDED** to Council that the following be inserted into the Constitution, following paragraph 5.1, of Part V, in the Rules of the Procedure, “Where necessary and expedient, the Head of Paid Service can vary the time of committee meetings in consultation with the Chairman of the Committee, and where practicably, the Committee as well.”

In response to a point of information regarding whether the recommendation would state how Members voted on the above, the Democratic and Elections Team Manager confirmed that the recommendation would only state the recommendation had been supported.

It was also noted by a Member that guidance related to the governance of meetings suggested that abstentions are not recorded unless requested and that if a vote only has in favour and abstentions, it would still be recorded as unanimously in favour, abstentions were not a vote against and in effect simply reduced the number of Member voting.

6 INTERNAL AUDIT QUARTER 4 REPORT 21/22

Members considered the Internal Audit Quarter 4 Report 21/22 by Assurance Lincolnshire against the 2021/22 annual programme agreed by the Governance and Audit Committee in March 2021.

In the presenting report, the Officer highlighted to the Committee that during the period since the last report, Internal Audit had completed six assurance audits and had six audits in progress, with three of these at the draft report stage.

Internal Audit had completed 92% of the revised 21/22 plan, which was found in Appendix 2 of the report pack. The six audits which had been completed were:

- Strategic Risk, which included an Inability to maintain critical services and deal with emergency events – High Assurance
- Vulnerable Communities Follow-up – Substantial Assurance
- ICT Network infrastructure and Security – Substantial Assurance
- Insurance – Substantial Assurance
- Carbon Management – Substantial Assurance
- Corporate Plan & Golden Thread Follow-up – Substantial Assurance

The six which were in progress included:

- ICT Cloud/hosted services – Draft report
- ICT Disaster Recovery and Backup – Draft report
- ICT Helpdesk Follow-up – Draft report
- Flooding – Fieldwork stage
- Value for Money – Fieldwork stage
- Key Control and ERP – Fieldwork stage

Other Work

- Completion of the Annual Combined Assurance Report
- Completion and sign off the certification of Flood Grants.

Debate ensued on the contents of the report, with Members questioning multiple aspects and providing statements from the report.

Note: Councillor A. Lawrence left the Chamber at 2.30 pm

There was a discussion on the flooding review, which a Member stated was a historical problem, and hoped that the Internal Auditors would look at the history of flooding. The Assistant Director for People and Democratic Services gave assurance that the Authority was working with the local flooding board and ongoing work.

There was also discussion on the quarterly IT CISCO review, which the Principal Auditor assured Members was revisited every year and could be embedded into future audits.

In response to a query from a Member about Full Council receiving an annual audit report, Members heard that the recommendation from CIPFA was a longer-term process and that consultation was ongoing. Another member also mentioned that the code was more likely to benefit an executive model local authority.

Having been moved and, seconded, on being put to the vote it was unanimously

RESOLVED that having considered the content of the report, no further actions be identified.

7 ANNUAL COUNTER FRAUD REPORT 2021/22

Members considered the Annual report on identified fraud during 2021/22 and the proactive measures undertaken to counter fraud during the year, and actions for the following year.

Leaders of public service organisations had a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supported good governance and demonstrated effective financial stewardship and strong public financial management.

Published in October 2014, the CIPFA Code of Practice on Managing the Risk of Fraud & Corruption set out the principles that defined the governance and operational arrangements necessary for an effective counter-fraud response.

These principles underpinned the Council's approach, which supported the management of the risk of fraud and corruption. The Council promoted a zero-tolerance culture of fraud and

corruption. The following Strategy Statement was being considered:

“West Lindsey District Council is determined that the culture and tone of the organisation is one of honesty, openness and absolute opposition to fraud and corruption. The Council’s expectation on propriety and accountability is that members and staff at all levels will observe the highest standards in ensuring adherence to legal requirements, rules, procedures and practices.’ (West Lindsey District Council – Anti Fraud & Corruption Strategy v2 2022).”

The Council maintained a suite of strategies and policies to support the effective management of the prevention, detection and investigation of fraud and corruption (Anti-Fraud & Corruption Strategy and Response Plans; Whistleblowing Policy and Anti Bribery Policy). Counter fraud activity during the year had delivered a programme of proactive and reactive work to complement the Internal Audit Strategy and Annual Plan focusing resources against assessed problems.

Note: Councillor D. Dobbie left the Chamber at 2.43 pm

Debate ensued, and Members posed several questions. In response to a question about the notification and lack of successful fraud attempts, the Director of Corporate Services informed Members that this was due to multiple factors. These included that the Council operated a secured network and had officers fully trained, with prior internal controls in place. A separate Member congratulated the Finance team on the low amounts of error in the payments.

The Officer also referenced the process for paying Covid-19 business grants, to which, despite minor, insignificant errors, the Council successfully supplied the grants through three different verification processes.

Having been moved and seconded on being put to the vote it was unanimously

RESOLVED that Members the contents of the report and supported the counter fraud work that protected the Authority’s interests be endorsed.

8 WORKPLAN

The Chairman reminded Members, subject to confirmation at the next Full Council meeting on 4 July 2022, that the meeting time for the Governance and Audit Committee would likely be 10 am.

During this item the Chairman again expressed thanks to retiring member, Peter Walton, for his work and guidance, which he personally had found to be incredibly valuable and for many at the Council.

Noting the draft accounts were due at the next Committee, a Member queried when the Committee would receive their training, suggesting this should be prior to the draft accounts as opposed to the final accounts. The Director of Corporate Services outlined the rationale for training Members prior to the final accounts with the Chairman indicating this would be discussed further at his next Chairman’s briefing. It was hoped the on-line offer may be

available by this stage too.

The Workplan as set out in the report was **NOTED**.

The meeting concluded at 2.55 pm.

Chairman