

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CORPORATE GOVERNANCE COMMITTEE held in the CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN on Wednesday, 26 January 2022

PRESENT: Councillor G J Bull – Chairman.

Councillors E R Butler, J C Cooper-Marsh, Dr P L R Gaskin, K P Gulson, P Kadewere, L W McGuire, R J West and Mrs S R Wilson.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors D A Giles, H V Masson and J P Morris.

29 MINUTES

The Minutes of the meeting of the Committee held on 14th September 2021 were approved as a correct record and signed by the Chairman.

30 MEMBERS' INTERESTS

No declarations were received.

31 MODEL COUNCILLOR CODE OF CONDUCT 2020

With the aid of a report prepared by the Monitoring Officer (a copy of which is appended in the Minute Book) the Committee considered the adoption of the Local Government Association new Model Code of Conduct and associated Guidance.

By way of background, the Monitoring Officer reported that the new Model Code had been subject to a long period of consultation with the changes not as extensive as originally campaigned for. The Model Code now included reference to social media with a further change being included around the registration and disclosure of "Other Registerable Interests" and "Non-Registerable Interests" which replaced "non-disclosable pecuniary interests or non-pecuniary interests" in the current Code. In his concluding remarks, the Monitoring Officer advised that neighbouring authorities were also in the process of adopting the new Model Code to take effect from May 2022.

In response to a question raised by Councillor Mrs S Wilson, the Monitoring Officer confirmed that all Town and Parish Councils in the District were aware of the new Code and that the Cambridgeshire and Peterborough Association of Local Councils had held two training sessions on the Model Code in May 2021. If approved by the District Council, correspondence would be sent to all the Town and Parish Councils inviting them to consider adoption of the new Model Code.

A brief discussion then ensued on the extent of the interests to be declared by the Chairman and Vice-Chairman of the Council given the roles they played at

Civic Events. Whilst it was acknowledged that there were some grey areas in this respect, the Monitoring Officer reminded the Committee of the importance of value and perception and advised that if there were any doubts, postholders should declare interests as required.

Having been advised that mandatory training on the new Model Code would be provided to all District Councillors following the elections in May 2022, it was

RESOLVED

that the Council be recommended to adopt the Local Government Association (LGA) new Model Code and Guidance.

32 EXTERNAL AUDIT 2020/2021

(Mr A Paylor, Audit Manager for Ernst & Young LLP was in attendance for this item).

Mr A Paylor, Audit Manager for Ernst & Young LLP advised the Committee that the audit was progressing well and that the External Audit Plan 2020/21 was on track for submission to the Committee's 30th March 2022 meeting. No significant issues had been identified at this present time, with the exception of the pensions valuation which was currently undergoing investigation. Sample testing work was scheduled for completion at the end of February 2022.

In response to questions from the Chairman, Mr Paylor confirmed that he was not envisaging any delays with the Audit Plan beyond 30th March and advised that additional resources would be brought in if required. In noting the Committee's disappointment that this had now occurred for the second year running, Mr Paylor advised that it could possibly take a further two years to catch up with the delays experienced. Mr E Symons, the Council's Chief Finance Officer confirmed that despite the additional pressures, the Finance Team were on schedule to deliver the audit and budget setting process within the timeframes given.

Other matters that were discussed included the impact upon the Finance Team if there were any delays beyond 30th March 2022, the problems experienced nationally with regards to the completion of Local Government audits and the extension which had been granted by the Government to complete and finalise the accounts.

33 INVITATION TO BECOME AN OPTED IN AUTHORITY: THE LOCAL AUDIT AND ACCOUNTABILITY ACT 2014 AND THE LOCAL AUDIT (APPOINTING PERSON) REGULATIONS 2015 (THE REGULATIONS)

With the aid of a report prepared by the Assistant Director (Corporate Services) (a copy of which is appended in the Minute Book) the Committee gave consideration to an agreement to opt into the national scheme for appointing an External Auditor from 2023/24 to 2027/28. In expressing their support, the Committee

RESOLVED

to recommend to Council that Huntingdonshire District Council opts into the national scheme by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.

34 PROPOSAL TO UPLIFT THE CODE OF PROCUREMENT THRESHOLDS

A report by the Assistant Director (Corporate Services) was submitted (a copy of which is appended in the Minute Book) outlining a proposal to uplift the Code of Procurement to include higher purchasing thresholds and simplifying the procurement process.

By way of background, the Assistant Director (Corporate Services) reported upon the rationale behind the proposals which included streamlining them to align with South Cambridgeshire and Cambridge City Councils, creating efficiencies within the current process and removing references to the European Union.

Matters that were discussed included the reasons behind using the World Trade Organisation threshold (at the upper level), the ability for local authorities to set their own thresholds, the training in place for staff on the procurement process, the differences between the quote and tender process and the background to the now filled Strategic Procurement Lead post. Whereupon, it was

RESOLVED

that the Committee recommend to Council the endorsement of the changes to the Code of Procurement to raise the thresholds for the lower levels and simplify the level structure – within the existing regulations, as amended by EU exit legislation.

35 DISPOSALS AND ACQUISITIONS POLICY: LAND AND PROPERTY - UPDATE ON THRESHOLDS

With the aid of a report prepared by the Chief Finance Officer (a copy of which is appended in the Minute Book) the Committee received an update on the Disposals & Acquisitions Policy.

In light of the use of the Policy over the previous 30 months and in noting that no changes were being proposed to the current thresholds and that the Executive Councillor for Strategic Finance was in support of the proposals, it was

RESOLVED

(a) that the report now submitted be received and noted; and

(b) that the Disposals & Acquisitions Policy thresholds be reviewed in 24 months' time.

36 APPROVAL FOR PUBLICATION OF THE 2020/21 ANNUAL FINANCIAL REPORT

The Chairman reported that this item would now be considered at the meeting of the Committee on 30th March 2022.

37 PROGRESS ON ANNUAL GOVERNANCE STATEMENT 2020/21 - SIGNIFICANT ISSUES

A report by the Internal Audit Manager was submitted (a copy of which is appended in the Minute Book) outlining progress made against the significant governance issues reported in the 2019/20 and 2020/21 Annual Governance Statement.

In introducing the report, the Internal Audit Manager drew the Committee's attention to Appendix 1 where the updates were detailed for each of the significant issues listed in the Annual Governance Statement. An update was delivered on the 4 red actions under ICT Cyber Security where it was noted that only 2 red actions now remained outstanding. The Internal Audit Manager reported that a further red action had closed since the publication of the report. A Member commented upon the remaining red actions that he did not wish to see the Council in a vulnerable position. The Internal Audit Manager advised that whilst the actions were red in the Annual Governance Statement, this action plan was in place to address these issues which would take some time to complete. Progress would continue to be reported.

A brief discussion then ensued on lone working and an explanation was delivered on the procurement arrangements in place for personal protection devices which were available to employees as required. Individual services/teams were responsible for capturing such risks within their risk assessment procedures.

In discussing the area of assurance relating to General Data Protection Regulation (GDPR), the Internal Audit Manager undertook to provide an update to Members following a meeting scheduled next week on the matter. Whereupon, the Committee

RESOLVED

to note the progress which has been made against the significant governance issues identified from the Annual Governance Statement 2019/20 and 2020/21 as outlined in Appendix 1 of the report now submitted.

38 IMPLEMENTATION OF INTERNAL AUDIT ACTIONS

With the aid of a report by the Internal Audit Manager (a copy of which is appended in the Minute Book) the Committee were updated on the implementation of internal audit actions.

The latest data now revealed 44% of actions being introduced (including those with late implementation) and 37 overdue audit actions remained outstanding. The Internal Audit Manager explained that a majority of overdue actions were more recently overdue i.e. less older actions.

Matters that were discussed included the role of Senior Management and Committee Members in encouraging services to complete their audit actions and the Risk and Controls Board report which was presented to Corporate Senior Leadership Team on a monthly basis and also presented at the monthly

Operations Senior Leadership Team meeting. The Internal Audit Manager also commented on whether the variable target for implementation should be handed over to services to use as a “soft date” to manage their actions, whilst the fixed date for completion of an audit action would remain as the target agreed from the outset with the service. The Internal Audit Team would consider viability of this and whether it will make easier management of the actions and better information reporting to the Committee.

In response to comments which had been made and following much discussion on the matter, the Committee concurred that they needed to raise awareness over the lack of progress made against audit actions with Executive Members. The Chairman advised that he would work with the Internal Audit Manager and Assistant Director (Corporate Services) to send something out to portfolio holders on the Committee’s behalf indicating which Executive Councillor was responsible for each audit action. Having expressed their support for this proposal, it was

RESOLVED

that the content of the report now submitted be received and noted.

39 PROGRESS ON THE INTERNAL AUDIT PLAN

The Committee considered a report by the Internal Audit Manager (a copy of which is appended in the Minute Book) on progress against the Internal Audit Plan for 2021/22 and any issues arising therefrom. The report also detailed the current status of planned assurance activities from the approved Plan.

Having been apprised with the resource position within the Internal Audit Team, attention was then drawn to the RAG status of completion of the various areas included within the Audit Plan. In response to a question raised by the Chairman, the Internal Audit Manager confirmed that IT audits would be undertaken by BDO on behalf of the Council. Those areas marked with a red RAG status had been deprioritised but would remain in the Plan and actioned if resources allowed. The Chairman expressed his concerns over the level of resources available within the Internal Audit Team and advised that he would consider this further.

Having encouraged Members of the Committee to make contact with the Internal Audit Manager with any proposals for the 2022/23 Audit Plan, the Committee

RESOLVED

- (a) to receive and note progress made against the Internal Audit Plan as outlined in the report now submitted;
- (b) to consider and approve the amendments made to the Internal Audit Plan since its approval in March 2021; and
- (c) to make contact with the Internal Audit Manager outside of the meeting with any proposals for the 2022/23 Internal Audit Plan.

40 CODE OF CONDUCT COMPLAINTS - UPDATE

By means of a report by the Elections & Democratic Services Manager & Deputy Monitoring Officer (a copy of which is appended in the Minute Book) the Committee were provided with a summary and update of completed or ongoing complaints received regarding alleged breaches of the Code of Conduct under the Localism Act 2011 since the start of the year.

In noting the cases outlined in paragraph 3.1 of the report and in briefly discussing case number 20/51 where the complainant had expressed their wish to remain anonymous, it was

RESOLVED

that the progress of outstanding complaints and the conclusion of cases resolved since the meeting in September 2021 be noted.

41 UPDATE ON CODE OF CONDUCT AND REGISTER OF DISCLOSABLE PECUNIARY INTERESTS

With the aid of a report prepared by the Elections and Democratic Services Manager (a copy of which is appended in the Minute Book) the Committee were updated on the adoption of Codes of Conduct by Town and Parish Councils and the receipt and publication of register of interests forms on behalf of District, Town and Parish Councillors.

The Elections and Democratic Services Manager advised that as it was within the 6 months period prior to the May 2022 elections, unsurprisingly there were a number of vacancies within Town and Parish Councils. The Committee were reminded that Town and Parishes may co-opt individuals on to their Councils if they so wished.

Matters that were discussed included the status of the Alconburys Community Governance Review, the action taken by the Council to support Woodwalton Parish Council two years ago following the resignation of the whole Parish Council, the responsibility of the Town and Parish Councils in picking up costs associated with local elections and the option available to communities to request a Community Governance Review. Whereupon, it was

RESOLVED

that the content of the report now submitted be noted.

42 LEAD AND DEPUTY INDEPENDENT PERSONS

With the aid of a report prepared by the Elections and Democratic Services Manager & Deputy Monitoring Officer (a copy of which is appended in the Minute Book) the Committee were provided with an opportunity to recommend to Council the appointment of Independent Persons as required by the Localism Act 2011.

In noting that the Lead and Deputy Independent Persons had been consulted on their willingness to continue with their roles in assisting the Committee and Code of Conduct investigations, it was

RESOLVED

that the Council be recommended to affirm the re-appointment of Mrs Gillian Holmes and Mr Peter Baker to the posts of Lead and Deputy Independent Persons respectively for a further two-year period to 30th April 2024 without the need for further ratification in each year by the Council at its Annual Meeting.

43 CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

The Committee received and noted a report (a copy of which is appended in the Minute Book) on progress of actions in response to any decisions taken at previous meetings.

The Democratic Services Officer announced that an update on Data Protection Compliance was expected at the Committee's 30th March 2022 meeting.

In respect of the Code of Procurement Waiver Procedure, the Assistant Director (Corporate Services) reported that there had been a further four uses of the procedure since the September 2021 meeting and tabled background information to Members at the meeting.

Chairman