

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CORPORATE GOVERNANCE COMMITTEE held in CIVIC SUITE (LANCASTER/STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN on Wednesday, 27 September 2023.

PRESENT: Councillor N Wells – Chair.

Councillors A M Blackwell, J A Gray, J E Harvey, P J Hodgson-Jones, S A Howell, A R Jennings, T D Sanderson and I P Taylor.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors E R Butler, J Clarke and P Kadewere.

25. MINUTES

The Minutes of the meeting of the Committee held on 17th July 2023 were approved as a correct record and signed by the Chair.

26. MEMBERS' INTERESTS

No declarations were received.

27. ANNUAL COMPLAINTS REPORT

The Committee gave consideration to a report by the Business Change Manager (a copy of which is appended in the Minute Book) providing Members with information on complaints received by the Council between April 2022 and March 2023, and those referred to the Local Government and Social Care Ombudsman (LGO).

The Business Change Manager highlighted that there had been a reduction in Stage One and Stage Two complaints. Further, 100% of Stage One and 87% of Stage Two complaints were resolved on time, with three complaints upheld by the LGO. Compliments received were noted and Officers were encouraged to submit compliments on the compliments tracker.

Councillor Hodgson-Jones recognised that there had been a decrease from 58 to 37 planning complaints between 2022 and 2023. Councillor Gray was reassured that the escalation of planning related complaints had now halted due to mitigative actions and would be reviewed by the Overview and Scrutiny Panel (Performance & Growth). Whereupon it was

RESOLVED

- (a) that the data relating to formal Stage One and Stage Two complaints received (2022/23) be received and noted; and
- (b) that the Local Government and Social Care Ombudsman Local Authority Report for Huntingdonshire District Council (2022/23) be received and noted.

28. RISK MANAGEMENT STRATEGY

With the aid of a report prepared by the Director of Finance and Corporate Resources (a copy of which is appended in the Minute Book) the Committee received a copy of the District Council's Risk Management Strategy.

The Director of Finance and Corporate Resources introduced the Risk Management Strategy, stating that it was based upon recommendations from the Local Government Association Peer Review and CIPFA An Untapped Potential Report and would inform risk appetite, governance and the Internal Audit Plan. Meanwhile, the live Risk Register included corporate and service risks.

Following questions by Councillors Hodgson-Jones and Gray, the Committee were informed that risks were added by Service Managers when identified and updated by the Assurance Board, which was comprised of core governance Officers and was scheduled monthly. Recently, the Board had overseen development of the Risk Strategy, risk management and risk processes. Within these processes, risk controls were verified by Internal Audit in line with guidance from the LGA Peer Review and CIPFA An Untapped Potential Report which recommended the Internal Audit Plan be based upon the Risk Register. Additional risk management would be granted through the scheduled upgrade to the Risk Management Dashboard which would offer assurance history and exception reports.

Councillor Hodgson-Jones suggested that risks within the register were reduced and ordered based on priority; while Councillor Gray highlighted the benefits of modernising the Risk Management Strategy. The Director of Finance and Corporate Resources responded that risk cause and output were being reviewed with the expectation that some risks would be merged, allowing more severe risks to be focussed upon.

Councillor Jennings was advised that the Senior Leadership Team was informed of changes to risk ratings and that additional internal training was scheduled to inform staff on Risk Register use.

Councillors Hodgson-Jones and Blackwell suggested standardising risk assessing likelihood/impact and formatting, highlighting the 'OneLeisure' risk as an example. The Director of Finance and Corporate Resources agreed, but was pleased risks had been captured, and stated that fully mitigated risks may be brought to future Committee meetings.

Councillor Blackwell also highlighted that Risk 147 had a deadline of 2017 and was therefore out of date.

Having agreed to amend the recommendation in order to provide clarity on the Constitution's process for approval, it was

RESOLVED

(a) that the Risk Management Strategy be received and noted; and

(b) that Cabinet be requested to approve the Risk Management Strategy.

29. POLLING DISTRICTS AND POLLING PLACES REVIEW

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 next review of polling districts and polling places scheduled for 2nd October 2023 prior to the 2025 deadline and in preparation for the next parliamentary and Police and Crime Commissioner elections.

The Elections and Democratic Services Manager informed the Committee that a review of polling stations occurred regularly and that the Elections Act 2022 highlighted the importance of ensuring accessibility to polling stations. Thus, a polling station questionnaire and review ensued, through which most stations had been found accessible. With regard to polling districts, the Manager noted that proposed changes to polling districts in Stow Longa, St Ives North, Brampton, St Neots East and Godmanchester had been influenced by parliamentary constituencies and housing.

Councillor Howell asked that Appendix A 'Polling Places', Yaxley should be revised to say 'left of Middletons Road' as well as right.

Councillor Jennings highlighted that indicators 'left' and 'right' depended on which direction you were driving and therefore the public should use the polling map to establish their designated area.

Councillor Hodgson established that irregular polling district

codes were historical and seen in other Councils, however, this should not impact the voter as the poll card directed individuals to the correct polling station. The Elections and Democratic Services Manager agreed to consider numerical coding.

Councillor I Taylor established that Alconbury Weston was not accessible and was reassured that there were additional burdens to assist the Council to make polling stations accessible, such as through purchase of ramps. Rural districts faced larger limitations on venues and therefore Members were relied upon to convey issues relating to venues within their ward.

Whereupon it was

RESOLVED

- (a) that the process involved in the review of polling districts and polling places 2023 be noted; and
- (b) that the consultation document be approved and the commencement of the polling districts and polling places review in accordance with the consultation document attached and timetable for consultation by authorised.

30. ANNUAL REPORT ON HUNTINGDONSHIRE DISTRICT COUNCIL'S COMPLIANCE WITH THE INFORMATION RIGHTS ACTS AND INFORMATION GOVERNANCE

With the aid of a report prepared by the Information Governance Manager and Data Protection Officer (a copy of which is appended in the Minute Book) the Committee received the annual report on the Council's compliance with the Freedom of Information (FOI) Act 2000 and Environmental Information Regulations 2004 and the UK General Data Protection Regulation Act 2018. Information was also received on the Council's performance with regards to protecting personal data over the period April 2022 to March 2023.

By way of an introduction, the Information Governance Manager and Data Protection Officer drew the Committee's attention to the following facts: there was a new Information and Security Board; all ten steps to cyber security had been met; 100% subject access requests had received responses; 57% responses to access requests had met statutory timelines; 75% of FOI requests had received information; and one tribunal judgement had been made relating to a historical request.

Councillor Gray was informed that the risk of incorrect data disposal while working from home was managed by the reduction in printed information, associated training sessions and encouraging staff to contact the InfoGov Team with queries.

Councillor Gray requested that future reports offered data on the cumulative days targets had been missed. Whereupon, it was

RESOLVED

that the contents of the report on compliance with the Information Rights Acts and Information Governance be noted.

31. UNAUDITED STATEMENT OF ACCOUNTS 2022/23

With the aid of a report prepared by the Director of Finance and Corporate Services (a copy of which is appended in the Minute Book), the Committee received the Unaudited Statement of Accounts 2022/23. This copy was consistent with the Outturn Report seen on 30th May 2023 which had not been published due to delays to the 2021/22 Audit of Accounts. As the audit was now complete, the report could now be published with updated opening balances.

Councillor Gray commended the budget outturn and contributions to reserves.

Councillors Sanderson, Hodgson-Jones, and Jennings respectively asked for information to be sought on whether the pension deficit/surplus had been impacted by the stock market in 2022; why it had been impacted by the War in Ukraine; and whether the Pension Surplus was likely to continue for the next two years.

Councillor I Taylor requested future budget reports included information sought from the Revenues Team with regard to Council Tax returns from unoccupied property and similar.

The Director of Finance and Corporate Resources thanked the Chief Financial Officer and her team for the work enacted to progress to publication.

Having agreed to amend recommendation (a) to provide clarification to the constitutional process; and '2022/23' to '2023/24' on the Review of Effectiveness and on the Other Governance Issues within the Annual Governance Statement 2022/23, it was

RESOLVED

(a) that the Annual Governance Statement (Annex A) be approved and that the Executive Leader and Chief Executive be authorised to sign the Statement on behalf

of the Council;

(b) that the unaudited Statement of Accounts for 2022/23 (Annex B) be approved; and

(c) that the Notice of Publication (Annex C) be approved.

32. APPROVAL FOR THE PUBLICATION OF THE AUDITED STATEMENT OF ACCOUNTS 2021/22

With the aid of a report prepared by the Director of Finance and Corporate Resources (a copy of which is appended in the Minute Book), the Committee received the Audited Statement of Accounts 2021/22 and Annual Governance Statement for publication.

Auditors from EY presented the report which included updates on the five areas of work concluded since the April 2023 Audit Report and the decrease of the Council's Pension liability as a result of the Triannual Report on Pensions. Further information with regard to value for money would be included in the Auditor's Annual Report when produced. The Fixed Asset Register had been highlighted in the April 2023 Audit Report and a new Fixed Asset Register would be used henceforth using data from the March 2022 balance sheet. This had led to a significant number of audit adjustments including to revaluation reserves, capital accounts, asset investments, assets held for sale, One Leisure and the Huntingdon Multi-storey Car Park.

Councillors Harvey and Jennings asked whether time had yet been allocated by EY for the 2022/23 audit of Huntingdonshire to allow timeframes to be met. They were informed that the deadline for the 2022/23 Audit Financial Statement was in three days and that most audit suppliers had yet to start work on this. Thus, a date for the current year's audit had not been scheduled.

EY thanked Councillor Howell for asking if there were anything the Council could do to reduce audit times, however, nationally progress against the public sector audit market could not be made until the Minister determined whether the priority of the market was a reset or to provide maximum assurance. Until this point, delays in public sector audits would increase. In February 2023, prior to the Minister's announcement, auditing firms had released a letter stating that no 2022/23 audits would commence prior to November 2023. If an audit reset was demanded, the 2022/23 audit may be cancelled in favour of catching up to timelines. Equally, Councillor Hodgson-Jones highlighted that guaranteeing maximum assurance would create additional delays and was informed it was unlikely maximum assurance would be delivered to only some local authorities, although it was recognised some Councils did require greater

intervention from DLUHC than others.

Councillor I Taylor was informed that external audit was a statutory requirement of local authorities appointed to registered public sector auditing bodies. This pool was limited to six or seven auditors, two or three of which had exited the market for the 2023/24 audit year. This low number contributed to delays.

Councillor Gray noted that investment property balance had reduced between 2020/21 and 2021/22. The Fixed Asset Register valuation had been partially impacted by changes in the land/building split for two investment properties.

The Director of Finance and Corporate Resources confirmed with the Chair and Councillor Gray that the Annual Governance Statement, a replica of the March 2023 statement, had been signed today at the auditor's request and that she was content for the Letter of Representation to be approved.

Whereupon, it was

RESOLVED

- (a) that the Audit Results Report (Annex A) be received and noted;
- (b) that the letter of representation (Annex B) be approved and the Director of Finance and Corporate Resources (as Section 151 Officer) be authorised to sign it on behalf of the Council; and
- (c) that the Chair of the Committee in consultation with the Director of Finance and Corporate Resources (as Section 151 Officer) be authorised to sign the audited Statement of Accounts (Annex C) on behalf of the Council subject to the auditors confirming an unqualified opinion on the SOA 2021/22.

33. INTERNAL AUDIT SERVICE: PROGRESS REPORT

With the aid of a report by the Internal Audit Manager (a copy of which is appended in the Minute Book) the Committee were informed of the work undertaken by the Internal Audit Service during the period April to September 2023.

The Committee were advised by the Internal Audit Manager that the report combined the Internal Audit Plan: Interim Progress Report and Implementation of Internal Audit Actions Report into a single quarterly report. She highlighted that Internal Audit were now better resourced; that it was anticipated the Risk Register would be revised; and the Internal Audit Manager would receive notifications for rating changes. Summaries of closed and open audit actions had been provided, and

Members were invited to request full audit reports if desired.

There were 26 overdue actions and not all updates provided were current. Councillor I Taylor acknowledged that outstanding training was not mandatory but that, to improve a robust audit trail, mandatory training should be reported upon.

Councillor Gray complimented the presentation of the cumulative delay for overdue audit actions. He expressed concern for the impact of complacency regarding completion – for example, additional electronic data may have been lost in the thirteen-month period prior to implementation of a new procedure for the IT inventory. He also queried whether there were measures in place to ensure items closed by the action owner had been completed. The Internal Audit Manager responded that she should verify completion of closed audit actions virtually and through testing as that was the process.

With response to Councillors Gray and Harvey's queries on the significant delay in completing the Land Charges written procedures action, the Elections and Democratic Services Manager informed Members that this action was a financial issue for which a simplified spreadsheet, modelling upon other Councils, was currently under development.

Councillor Blackwell complimented the promotion of training within the Internal Audit Team. She also requested an update on Ref.1638, Debtors Action, which had been put on hold. Whereupon it was

RESOLVED

that the Internal Audit Progress Report be noted.

34. 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. In doing so, the Internal Audit Manager suggested Members offered input on the previously circulated Independent Member Job Description.

Councillor Gray was informed that a Constitution Review including formulation of the Shadow Cabinet would occur following introduction of the new Chief Executive Officer. He also suggested that Councillors and Officers collaborate on the Risk Management Reporting Framework.

Councillor Blackwell asked for a further update as to whether all Councillors in Huntingdon Town Council had submitted their Disclosable Pecuniary Interest Forms.

Chair