

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

GOVERNANCE COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 28 APRIL 2026

Councillors Present: Erik Pattenden (Chairman), Howard Woollaston (Vice-Chairman), Dominic Boeck, Jeremy Cottam, Billy Drummond, Owen Jeffery, Simon Carey, David Southgate and Alan Macro (Substitute) (In place of Stephanie Steevenson)

Also Present: Simon Carey (Independent Person (Audit)), Anne Budd (Parish Council Representative), David Southgate (Parish Council Representative), Councillor Iain Cottingham, Joseph Holmes (Chief Executive), Sarah Clarke (Executive Director (Resources)), Martyn Sargeant (Service Director (Strategy & Governance)), Joseph Holmes (Chief Executive), Julie Gillhespey (Audit Manager) and Beatriz Teixeira (Performance Research & Consultation Manage), Councillor Iain Cottingham and Gordon Oliver (Clerk), and Darius Zarazel (Zoom Host)

Apologies for inability to attend the meeting: Councillors Laura Coyle, Carlyne Culver, Stephanie Steevenson and Adrian Abbs

PART I

1 Minutes

The Minutes of the meeting held on 27 January 2026 were approved as a true and correct record and signed by the Chairman.

2 Declarations of Interest

There were no declarations of interest received.

3 Forward Plan

The Committee considered the Governance Committee Forward Plan (Agenda Item 4). Satisfied with the Plan, the Governance Committee agreed that it could be noted.

4 Action Log

The Committee considered the Governance Committee Action Log (Agenda Item 5). Satisfied with the Actions presented, the Governance Committee agreed that it could be noted.

5 Internal Audit Update Report - Quarter Three 2025/26

Julie Gillhespie (Audit Manager) presented the Internal Audit Update Report for Quarter Three 2025/26 (Agenda Item 6).

The following points were raised in the debate:

- It was confirmed that one vacancy in the Audit Team had been filled, and interviews were being held for the other. The new members of staff should get up to speed relatively quickly, depending on their experience.

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- Members queried errors affecting payments for Children with Disabilities. It was clarified that the issues related to controls failing to prevent discrepancies, but the values were small.
- The Committee noted the breadth of issues and volume of recommendations arising from the audit of the Children with Disabilities and SEND Team and asked if the position was close to 'no assurance'. It was confirmed that the issues were not of sufficient significance to be categorised as 'no assurance' - the opinion reflected the volume of non-compliance and process weaknesses rather than critical failings.
- Concerns were expressed about the sensitivity of SEND-related payments and the possibility of wider issues beyond the audit sample. Officers advised that weaknesses in reviewing needs were of greater concern because this could lead to people receiving incorrect levels of support.
- Members asked when follow-up work was triggered. It was explained that this was typically undertaken for limited assurance and no assurance opinions. Occasionally, follow-ups took place where there was reasonable assurance, but where individual recommendations were of concern. For limited assurance reports, internal audit would normally conduct a follow-up after six months from report finalisation. A follow-up with the Children with Disabilities and SEND Team would be due in August.
- Members asked if issues highlighted in relation to SEND payments were mirrored in Adult Social Care. It was confirmed that while they had some similar policies and processes, they had different frameworks and specific payments.
- It was suggested that the Council consider adopting stronger corporate oversight of policy documents, drawing on best practice (e.g., ISO 9000).
- The Committee was advised that they could request changes to the Audit Plan where they felt that attention was warranted based on evidence and risk.
- Officers were asked about how work had been prioritised during the period when there were vacancies in the team. It was confirmed that prioritisation was risk-based, though scheduling constraints also applied. Any significant changes to the Audit Plan would be reported to the Committee in line with the Audit Charter. It was noted that the Audit Manager had undertaken additional work to achieve completion targets for 2025/26.

RESOLVED to note the report.

6 Formation of an Audit and Risk Committee

Martyn Sargeant (Service Director) presented the Internal Audit Update Report for Quarter Three 2025/26 (Agenda Item 6).

The following points were raised in the debate:

- It was explained that it was best practice to have a committee focused solely on audit and risk, rather than diluting this with governance/standards responsibilities. This was in line with CIPFA recommendations, the LGA Peer Challenge, and a previous Centre for Governance and Scrutiny review, and would bring West Berkshire Council into line with arrangements in other local authorities. The new arrangement would result in increased focus, clarity of remit and alignment with recognised governance models (e.g., 'three lines' model of management controls, internal audit, and external audit).
- It was confirmed that meetings would take place in public and would be live-streamed, with confidential/exempt items considered in Part II where required.

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- Reassurance was provided that the Personnel and Standards Committee would have the same, rigorous oversight of standards issues as the Governance Committee did now.
- Officers were asked if the terms of reference should explicitly state the voting status of independent members, as there were inconsistencies between the appendices. It was noted that audit and risk committees generally acted in an advisory capacity, so voting may not be needed; however, it was suggested that the wording could be amended.

Action: Update the wording of the appendices in relation to voting.

- Members questioned what practical difference the change would make, noting that current agendas were already heavily audit/risk focused and that standards reports were infrequent. Officers clarified that functions were not being removed, but re-aligned, and that financial pressures and the need for technical challenge of financial statements increased the importance of a dedicated audit and risk function.
- It was suggested that the report needed to be clearer about the justification for the change and it should be clear that the two new committees would replace the two existing ones.

Action: Provide additional clarification in the report to Council regarding the rationale for the change and to make it clear that the two new committee would replace the two existing ones.

- Members noted the proposed committee size and queried whether seven councillors would be sufficient. It was highlighted that the original proposal had been for a committee of five councillors, and that some local authorities had as few as three.
- Officers highlighted that the technical nature of audit and risk work typically required enhanced training and support, so arrangements would be reviewed.

RESOLVED to support the proposals outlined in the report, namely:

- To form a new Audit and Risk Committee.
- That the new committee should have a political balanced membership of seven councillors plus up to two independent members (of the public).
- That the independent members (of the public) should receive an allowance of £2,192 to recognise their technical skills and professional expertise.
- To create a new Personnel and Standards Committee, with oversight for the residual responsibilities of the current Governance Committee and the existing responsibilities of the current Personnel Committee.

7 Risk Management Q3 2025/26

Martyn Sargeant (Service Director – Strategy and Governance) and Beatriz Teixeira (Performance Research & Consultation Manager) presented the Risk Management Report for Quarter 3 2025/26 (Agenda Item 6).

Officers highlighted a recent media article about the Council designating its reputation as a key risk. Officers provided examples of how the Council's reputation could be impacted (e.g. due to disruption as a result of a critical supplier going out of business, or due to regulatory bodies making judgments against the Council). It was considered appropriate for such risks to be monitored closely, and the risk rating had been amended to reflect the current position. Members noted that the newspaper only had partial information, since the detail was contained within the Part II appendix.

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The following points were raised in the debate:

- A concern was raised about the Children and Family Services directorate not identifying an appetite for 'financial/asset risk'. It was argued that the directorate controlled significant council expenditure and so this should be reconsidered.
- Officers stated that the risk appetite work had continued up to the report publication deadline and that Children and Family Services had raised questions about how the categorisation would apply in its context. Officers indicated that further guidance would be provided, and that the absence of a categorisation reflected the fact that work was yet to be completed.

Action: Officers to provide further update on the appetite for financial/asset risk as part of the Q4 update.

- Members noted that there was a significant reporting time lag and that risks may have been realised within the intervening months. It was suggested that the Committee should review whether earlier likelihood/impact assessments had been accurate, whether risks had materialised, and what learning should be taken forward.
- The timeliness of reporting was acknowledged as an issue, and officers undertook to review the governance cycle. While the report represented a snapshot in time, it was highlighted that senior officers updated their own risk registers on an ongoing basis. Risk registers were also regularly reviewed at Programme Boards.

Action: Officers to review the governance cycle in terms of timeliness of reporting.

- The distinction was made between officer/Executive responsibilities for ongoing risk management and the Committee's role in assurance, including considering whether risks had moved, if mitigations had been implemented, and if they had been effective. It was suggested that the Committee could do detailed reviews of key risks to understand if lessons should be learned.
- It was stressed that financial sustainability was the No.1 risk, and risk maps were considered at weekly Financial Review Panel meetings.
- It was noted that the report mentioned risk score variations from Q2 to Q3. The Committee was reminded that they could ask for additional information to understand what had changed and why, what mitigations had been implemented, and whether they had been effective. It was suggested that the proposed change to the committee's remit would allow more time for such activity.
- It was highlighted that the Part II appendix had additional information on the risks, their anticipated impacts, and the controls put in place. This allowed the Committee an opportunity to highlight where they felt impacts were not being given due consideration, or to identify additional factors that could potentially influence particular risks.

RESOLVED to note the report.

8 Exclusion of Press and Public

RESOLVED: That members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraphs 3 and 5 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the [Local Government \(Access to Information\) \(Variation\) Order 2006](#). [Section 10, Part 10 of the Constitution](#) also refers.

9 Strategic Risk Register

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(Paragraph 3 – information relating to financial/business affairs of particular person)

(Paragraph 5 – information relating to legal privilege)

(Paragraph 5 – information relating to proposed action to be taken by the Local Authority)

The Committee considered an exempt report (Agenda Item 11) concerning the Strategic Risk.

RESOLVED to note the report.

(The meeting commenced at 6.30 pm and closed at 8.06 pm)

CHAIRMAN

Date of Signature