

# DRAFT

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

## GOVERNANCE AND ETHICS COMMITTEE

### MINUTES OF THE MEETING HELD ON MONDAY, 16 NOVEMBER 2020

**Councillors Present:** Jeff Beck (Chairman), Jeremy Cottam (Vice-Chairman), Barry Dickens, Owen Jeffery (Substitute) (In place of Geoff Mayes), Rick Jones, Jane Langford, Tony Linden, Thomas Marino, David Marsh, Andy Moore and Claire Rowles

**Also Present:** Julie Gillhespey (Audit Manager), Joseph Holmes (Executive Director - Resources), Moira Fraser (Democratic and Electoral Services Manager) and Councillor Joanne Stewart

**Apologies for inability to attend the meeting:** Councillor Geoff Mayes

#### PART I

##### 15 Minutes

The Minutes of the meeting held on 24 August 2020 were approved as a true and correct record and signed by the Chairman.

The Chairman noted that the outcome of the follow up reviews referred to on page 2 of the minutes and the property valuation item on page 4 of the minutes would be brought to the February 2021 meeting as there had not been sufficient time to conclude this work.

##### 16 Declarations of Interest

There were no declarations of interest received.

##### 17 Forward Plan

The Committee considered the Governance and Ethics Committee Forward Plan (Agenda Item 4).

**RESOLVED that** the Governance and Ethics Committee Forward Plan be noted.

##### 18 Internal Audit Update Report (GE3864)

The Committee considered a report (Agenda Item 5) which provided an update to the Committee on the outcome of Internal Audit work carried out during quarters one and two of 2020/21. The completed audits were set out in Appendix A, current work was set out in Appendix B and the anti-fraud work plan update was set out in Appendix C.

Julie Gillhespey in introducing the report noted that none of the completed audits had resulted in a very weak opinion. There was one weak opinion issued in respect of a primary school. Recommendations were issued in respect of strengthening budget monitoring and reporting to its governors and the auditing/ reporting processes for managing the school fund.

Covid-19 had had a significant impact on the team's workload. To date around 55 days had been spent on unplanned Covid related work. There were certain grants where Central Government required an independent sign off by internal audit. Risk assessments of some of the other grants would be undertaken to identify those areas where there was greater risk of fraud or error. It was estimated that a further 50 to 80

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days would have to be spent on Covid related work. This would have an impact on other planned audit activity.

Councillor Claire Rowles queried if it would be possible to see the frameworks against which audits were assessed and also to see the reports for specific audits. Julie Gillhespey stated that this would need to be assessed on a case by case basis depending on the individual audit as these were not published. She would discuss any requests with Councillor Rowles outside of the meeting.

**RESOLVED** that the content of the report be noted.

### 19 **Response to the Audit Review of the Governance and Ethics Committee (GE3954)**

The Committee considered a report (Agenda Item 6) which set out formal proposals which had been drawn up to meet the recommendations made in the Internal Audit report covering the review of the Effectiveness of the Governance and Ethics Committee.

Julie Gillhespey in introducing the report explained that following consideration of the report at the April 2020 meeting the Finance and Governance Group had drafted an action plan to address the issues identified in the report. Provisional revised terms of reference had also been drafted. Officers were also proposing a number of potential training modules for members to consider.

Members stated that they were generally supportive of the tenor of the report and they understood the need to be more proactive as a committee.

Members supported the action plan and requested that as this had been approved Officers include timescales for undertaking the actions. It was agreed that these would be put in place for the 2021 municipal year. **(Julie Gillhespey to action)**

Members stated that they supported the need for training in order to make the committee more effective given the complexities of the subject matter that they were expected to cover. They stated that it would however be useful to articulate how often the training would need to be undertaken. It was accepted that a lot of the training would only need to be provided to members once in an electoral cycle. Ad hoc sessions would also need to be provided where additional gaps in knowledge were identified. Members agreed that the sessions in the appendix were appropriate. Officers were asked to bring a training schedule to the February 2021 meeting. **(Julie Gillhespey/ Moira Fraser to action)**

Members were concerned about the number and level of detail set out in the revised terms of reference. They requested that these be looked at again and where appropriate be condensed. It was also agreed that it might be useful to include timescales e.g. annually etc where appropriate. It was requested that the 12<sup>th</sup> item be included in the preamble and that the audit committee referred to in the functions be amended to read Governance and Ethics Committee. **(Julie Gillhespey/ Moira Fraser to action)**

**RESOLVED** that:

1. the proposals stated in the Action Plan be agreed.
2. the revised Terms of Reference (Appendix B) be further refined prior to consideration at the February 2021 Governance and Ethics Committee meeting and if then approved be recommended to Full Council for approval.

*(The meeting commenced at 4.00 pm and closed at 4.42 pm)*

**CHAIRMAN**

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**Date of Signature** .....