

SWT Audit, Governance and Standards Committee - 11 March 2020

Present: Councillor Sue Buller (Chair)

Councillors Lee Baker, Simon Coles, Hugh Davies, Caroline Ellis, Janet Lloyd, Vivienne Stock-Williams, Andrew Sully, Sarah Wakefield and Loretta Whetlor (In place of Terry Venner)

Officers: Dawn Adey, James Barra, Ian Candlish, Aditi Chandramouli, Paul Fitzgerald, Chris Hall, Simon Lewis, Jackson Murray, Andrew Pritchard, Clare Rendell, Richard Sealy, Amy Tregellas and Alastair Woodland

Also Present: Councillors Francesca Smith

(The meeting commenced at 6.15 pm)

69. Apologies

Apologies were received from Mrs A Elder and Councillor T Venner, who was substituted by Councillor L Whetlor.

70. Minutes of the previous meeting of the Audit, Governance and Standards Committee

(Minutes of the meetings of the Audit, Governance and Standards Committee held on 13 January 2020 and 4 February 2020 circulated with the agenda)

Resolved that the minutes of the Audit, Governance and Standards Committee held on 13 January 2020 and 4 February 2020 be confirmed as a correct record.

71. Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr L Baker	All Items	Cheddon Fitzpaine & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr H Davies	All Items	SCC	Personal	Spoke and Voted
Cllr C Ellis	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr J Lloyd	All Items	Wellington & Sampford	Personal	Spoke and Voted

		Arundel		
Cllr F Smith	All Items	Taunton Charter Trustee	Personal	Spoke
Cllr V Stock-Williams	All Items	Wellington	Personal	Spoke and Voted
Cllr L Whetlor	All Items	Watchet	Personal	Spoke and Voted

Councillor J Lloyd further declared a personal interest on agenda item 8, External Audit – Audit Plan 2019/20, as a member of the Somerset County Council pension scheme.

Councillor L Baker further declared a personal interest as an employee of the Lloyds Banking Group.

72. **Public Participation**

No members of the public had requested to speak on any item on the agenda.

73. **Audit, Governance and Standards Committee Action Plan**

(Copy of the Audit, Governance and Standards Committee Action Plan, circulated with the agenda).

Resolved that the Audit, Governance and Standards Committee Action Plan be noted.

74. **Audit, Governance and Standards Committee Forward Plan**

(Copy of the Audit, Governance and Standards Committee Forward Plan, circulated with the agenda).

The Internal Auditor requested that their Annual Audit Opinion be added to the Forward Plan for the meeting scheduled for 8 June 2020.

Councillors were reminded that if they had an item they wanted to add to the agenda, that they should send their requests to the Governance Team.

Resolved that the Audit, Governance and Standards Committee Forward Plan be noted.

75. **Grant Thornton External Audit - Progress Report and Update**

During the discussion, the following points were raised:-

- Jackson Murray introduced himself to the Committee as the new Engagement Lead for Somerset West and Taunton.
- Concern was raised on timings and deliverables on the Statement of Accounts. Councillors understood that a few Councils had been late in submitting their accounts last year but did not want to be in the same position this year. They further highlighted that the accounts had been

submitted on time for the two authorities, Taunton Deane Borough Council and West Somerset Council.

- Councillors requested an update on the objection that had been received on the Statement of Accounts.

The External Auditor advised that work was ongoing and that they had received some questions that they were working on with officers to answer. They hoped that the work would come to a conclusion soon.

- Councillors queried whether the Committee would see the response once it had been sent out to the Objector.

The External Auditor advised that the response would go to the Objector but that they had no formal requirement to report back to the Committee. However, if there were any points that required action, they would be fed back to the Committee.

- Concern was raised on the timescale taken on the objection and that the Committee might not be told the outcome.

The External Auditor gave clarification on the National Audit Office and the rules and rights of the elector set out in regulations. He gave further information on when a public interest report would be required and on other options such as to set out recommendations that would be taken to Full Council for approval and to agree an action plan.

- Concern was raised on the additional fees being requested within the report and that the Council was only in year two of a five year contract. Councillors hoped that this wouldn't happen each year.

The External Auditor understood their concerns. However, since 2017 when the fees were set, a review had been carried out which had changed the quality expectation on public sector auditors, which meant that additional work had been taken on. He advised that they would have to go through the Public Sector Auditor Appointments to seek a variation of the fees. The External Auditor hoped that the process would not be repeated but could not guarantee that.

Resolved that Members considered and noted the update report.

76. **Grant Thornton External Audit - Audit Plan**

During the discussion, the following points were made:-

- The Chair advised that she was comfortable with the materiality figures used within the report.
- The Chair also thanked Geri Daly for all her work as the previous Engagement Lead for Somerset West and Taunton.

Resolved that Members considered and noted the External Audit Plan for 2019/20 received from Grant Thornton.

77. **SWAP Internal Audit - Progress Report 2019/20**

During the discussion, the following points were discussed:-

- Adam Williams, was introduced to the Committee.

- Councillors highlighted that they had been made aware that their Town Council was still waiting for invoices to be sent out for services they had used over the Christmas period and raised concern that they might not be the only organisation waiting for invoices to be sent out.
Work was being carried out with the different service areas to ensure that they were caught up with all the outstanding invoices by the end of the financial year.
- Councillors requested clarification on the amount charged to West Somerset Council by Taunton Deane Borough Council.
Clarification was given.
- Concern was raised on debt being written off.
Enforcement Agents had been appointed to assist with debt recovery and to ensure debt wasn't being written off where they were able to recover it.
- Councillors queried whether the finance system was 'up to scratch'.
Yes, the system was of industry standard, however, some of the processes needed to be streamlined.
- Councillors requested a breakdown of the services that the debt related to.

Resolved that Members noted the progress made in delivery of the 2019/20 internal audit plan and significant findings since the previous update in January 2020.

78.

SWAP Internal Audit - Audit Plan & Charter 2020-21

During the discussion, the following points were made:-

- Councillors queried how certain 'pillars' were measured, such as Quality of Work.
The Internal Auditor advised that once the audit work was completed, a survey was sent out to the client to ascertain their satisfaction levels. The responses were then included in the figures reported in the Annual Audit Opinion.
- Councillors advised they would welcome additional training for audit.
The Internal Auditor advised they would be running a training session on October 2020 plus updates provided by the Monitoring Officer.
- Councillors queried whether additional audit days had been included in the calculation to build in resilience in case any urgent work was required.
The Internal Auditor advised that days would need to be moved from another audit if any urgent work arose. However, he was due to have discussions with senior officers about building in contingency days for the future. The Monitoring Officer also advised that Councillors were due to have their 121s, where training needs and requests would be discussed with each Councillor.
- Concern was raised on the training styles that had been used in the past.
- Councillors thanked the Monitoring Officer for the 121s being set up.
- Councillors queried that there was not much information included on Environment and Economy and what had other Councils done on that.
The Internal Auditor advised that he would take that comment back for consideration with the relevant officers.
- The Chair thanked the Internal Auditor for all their work.

Resolved that Members approved:-

- 1) The Internal Audit Plan for 2020/21; and
- 2) The Internal Audit Charter.

79.

Landlord Health and Safety compliance Update

During the discussion, the following points were made:-

- Councillors thanked officers the work they had carried out and the progress that had been made since the last update.
- Concern was raised on the fire risk assessment remedial actions and that the amount that were outstanding had not reduced by much and queried why.
The Director for Housing advised that due to the type of work required on those actions that it would take extra time, but that they had set up a work programme.
- Councillors had spotted some UPVC cladding on the photos used in the presentation.
Officers had spotted that and assured the Councillor that the cladding would be looked at and an update would be brought back to the Committee.
- Councillors welcomed the work carried out on the communal areas in the semi-sheltered housing blocks as it promoted health and safety for those vulnerable tenants.
- Councillors queried the work carried out on the fire doors and whether the leaseholders had been charged.
The Director for Housing advised that they had made the decision not to charge the leaseholders as the work benefitted the whole building, not just a couple of the residents.
- Councillors queries how would officers monitor the 'clean stairwell' policy.
The Director for Housing advised that the Estates Officers would routinely inspect the areas and enforce the policy where necessary. The Locality Champions have also been advised that if they notice any issues that they are responsible for reporting those back. The Portfolio Holder for Housing also advised that all Councillors and Officers had a duty of care and that anyone could report any issues for action.
- Councillors queried whether following the Chancellors Budget announcement, the gas appliances would be changed over to electric.
The Director for Housing advised that they would carry out any necessary work but would follow the guidance issued from Central Government.
- Councillors queried whether the Council still operated a bulky item collection service to help prevent fly tipping of large items in the communal areas.
Information was given on the options that were available to the public to use to dispose of larger items.

Resolved that the Committee noted the report and progress being made in relation to landlord compliance.

80. Local Code of Corporate Governance

During the discussion, the following points were raised:-

- Councillors queried how strictly the CIPFA principles had to be followed.
The Monitoring Officer advised that we could add some principles on equalities as requested.
- Councillors suggested a Disability Board should be used for input on engagement.
- Concern was raised on the Council's openness with certain reports and that too many were being discussed in confidential session.
The Monitoring Officer advised that officers did carry out the public interest test on reports to decide if they needed to be discussed in confidential session. However, she suggested more work needed to be done to explain to members of the public why certain items were confidential.
- Councillors queried whether Somerset West and Taunton were fulfilling their requirements on charitable elements.
Charitable elements would be covered in the Charity Return and a written answer would be given.
- Councillors queried how they would know if the Code was working.
The Monitoring Officer advised that reports would be brought back to the Committee in the Action Plan Update.

Resolved that the Committee approved the Code of Corporate Governance.

81. Summary of Level 1 Internal Audit Recommendations

During the discussion, the following point was made:-

- Concern was raised on the use of different devices and the integration between Microsoft and the iPad.
The Monitoring Officer advised that the upgrade and change of systems would benefit the Councillors and training would be given. She also advised that a new Member Portal would be introduced to assist Councillors.

Resolved that the Committee reviewed the overdue actions contained in the report.

82. Constitution Report

During the discussion, the following points were made:-

- Councillors requested that the work carried out on the Constitution included the pledges made in the Liberal Democrat manifesto.
- Councillors welcomed the review on the Constitution and were happy to sit on the Working Group.
The Monitoring Officer gave information on how the Members would be chosen for the Working Group.

Resolved that the Committee resolved that a Members Working Group was set up to work with the Monitoring Officer to review the Constitution and to make

recommendations for updates back to the Audit, Governance and Standards Committee.

83. **Monitoring Officer Update**

During the update, the Monitoring Officer gave the following information:-

- There had been one complaint received through the Whistle Blowing Policy.
- She had received 34 complaints on Councillors Code of Conduct so far for the year, 8 of those had been closed, 26 were still open and of those, 24 related to one Council.

(The Meeting ended at 8.50 pm)

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