

## **AUDIT AND GOVERNANCE COMMITTEE**

### **MINUTES OF MEETING HELD ON MONDAY 25 SEPTEMBER 2023**

**Present:** Cllrs Richard Biggs (Chairman), Susan Cocking (Vice-Chairman), Belinda Bawden, Simon Christopher, Barry Goringe, David Gray, Robin Legg and Bill Trite.

**Officers present (for all or part of the meeting):**

David Bonner (Service Manager for Business Intelligence and Performance), Susan Dallison (Democratic Services Team Leader), Aidan Dunn (Executive Director - Corporate Development S151), Marc Eyre (Service Manager for Assurance), Angela Hooper (Principal Auditor SWAP), Heather Lappin (Head of Strategic Finance), Jonathan Mair (Director of Legal and Democratic and Monitoring Officer), John Miles (Democratic Services Officer), Sally White (Assistant Director SWAP), Michael Moon (Head of Waste Operations) and David Wilkes (Service Manager for Treasury and Investments).

**Officers present remotely (for all or part of the meeting):**

Sean Cremer (Corporate Director for Finance and Commercial)

**Also present:** Simon Roach and Roger Ong (Co-opted members).

**24. Apologies**

No apologies for absence were received at the meeting.

**25. Minutes**

The minutes of the meeting held on 17th July were confirmed and signed.

**26. Declarations of Interest**

No declarations of disclosable pecuniary interests were made at the meeting.

**27. Public Participation**

There was no public participation.

**28. Minutes of the Audit & Governance Sub-committee**

To note the minutes of the Audit & Governance Hearing Sub-committee (if any meetings have been held).

No meetings had been held.

29. **Appointment of Co-opted Members**

The Service Manager for Assurance introduced the report.

The interview panel on behalf of this committee offered co-opted member positions to Simon Roach and Roger Ong. The paper sought a recommendation from this committee to Full Council to endorse these appointments as required within the constitution.

Cllrs Richard Biggs and Bill Trite were delighted to endorse the appointments.

**Decision**

To recommend that Full Council endorses adopting Mr Roach and Mr Ong as co-opted members on the Audit and Governance Committee.

30. **Risk Management Update**

The Service Manager for Assurance introduced the Quarterly Risk Management Update Report. He informed that the risk function was slowly moving away from Assurance into the Business Intelligence and Performance Service. A new risk management and reporting officer will be in post early next month. The risk process was primarily a self-service arrangement and there had been a slip in reviews due to the absence of a dedicated risk officer for a period of time. It was anticipated that risk reviews would get back on track once a new risk manager was in post.

In previous meetings there had been discussions about various risks relating to Assets and Property Health and Safety that had been scored as extreme. The majority of these had been managed down and no longer deemed to be extreme as a result of the mitigation that had been established and put in place.

**Noted.**

31. **Report of Internal Audit Activity Progress Report 2023/24- September 2023**

The Principal Auditor introduced the report which was the second update report for 23-2024 financial year. She covered the highlights of the report, offering a reasonable interim opinion, that there had been no corporate risks identified, two limited assurance opinion reports had been issued since the last update report and the long outstanding actions had increased to 13. There will be a future update which will turn the rolling plan into a dashboard that is held in the audit case management system. For the action tracker the number of overdue actions had increased to 13, 6 related to premises health and safety and 5 related to risk management.

In response to questions asked about monitoring outstanding debt. The Corporate Director Finance and Commercial informed that a dashboard was being developed and will be rolled out shortly, which will cover how old is the debt, who owes the

money, and what the nature of it is. This data will be shared with SLT and allows officers to take a more proactive approach in reducing some of the service debt. Dorset Council's level of debt was £47 million and the majority of this was in relation to adult social care fees. Some of this was in the form of deferred payment arrangements. Financial data would also be shared with the members in the correct format through quarterly management reports and officers would look into how to give members more regular access to this data. There will be additional staff added to the central finance team and two new staff had been hired and will be joining the council on the 9<sup>th</sup> of October.

In response to questions asked about transport operations. The Head of Waste Operations informed that the driver declaration forms had been completed by the drivers in question. But for professional drivers in highways, fleet, and waste there was an automatic six-monthly check and the 150 drivers from coast to countryside area were not included in those checks but had completed their individual driver declarations. They had now been added onto the automatic six-monthly check.

The waste vehicles had various types of CCTV due to the age of the vehicles. The council was now moving onto a more remote access CCTV system, and there was no way to know if the CCTV cameras were working until the software was downloaded. The driver work policy had been updated to enforce that all drivers must comply with the requirements of the highway code.

**Noted.**

### **32. Treasury Management Annual Report 2022/23**

The Service Manager for Treasury and Investment outlined the Treasury Management Annual Report. He summarised the Treasury Management Performance and Position for Dorset Council for the year ended 31 March 2023.

Cllr Grey commented that given the unusual nature of finances coming out of the Covid period he would have liked to have seen 3 or 4 more years on some of the tables from 2022-23 in the report to aid context. As there was a big drop in investments from £149 million to £75 million.

In response to Cllr questions the Executive Director for Corporate Development briefed the committee about the s114 notices that had been issued by other councils in recent months. Those councils which had issued S114 notices had either large equal pay claims or large portfolio of investments funded by borrowing. Dorset Council was not affected by either of these situations.

He went on to inform the committee that, like other councils, Dorset was facing financial challenges as costs were increasing due to rising inflation and demand. However, Dorset Council is well financially managed, has good governance, and currently, there was no risk of a section 114 notice being issued.

**Noted.**

33. **Work Programme**

To add a new debt management process to the Work Programme once it has been through SLT and Cabinet.

34. **Urgent items**

There were no urgent items.

35. **Exempt Business**

There was no exempt business.

**Duration of meeting:** 11.00 - 11.52 am

**Chairman**

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