

Minutes of a Meeting of the Audit and Standards Committee held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on 8 November 2017

+ Cllr Paul Deach (Chairman)
+ Cllr Rebecca Jennings-Evans (Vice Chairman)

+ Cllr Rodney Bates
+ Cllr Edward Hawkins
+ Cllr Paul Ilnicki

+ Cllr Bruce Mansell
- Cllr Conrad Sturt

+ Present
- Apologies for absence presented

In Attendance: Adrian Flynn, Chief Accountant
Neil Hewitson, KPMG
Karen Limmer, Head of Legal Services
Cllr Alan McClafferty
Kelvin Menon, Executive Head: Finance

8AS Minutes of Previous Meeting

RESOLVED that the minutes of the Audit and Standards Committee meeting held on 10 July 2017 be approved as a correct record and signed by the Chairman.

9AS Declarations of Interest

There were no declarations of interest.

10AS 2016/17 Financial Statements

The Committee received a report setting out the Council's audited Financial Statements for 2016/17 and the External Auditor's ISA260 Report for 2016/17.

Neil Hewitson, KPMG, presented the ISA260 External Audit Report 2016/17. The report set out any key issues identified as a result of KPMG's audit of the Council's financial statements for the year ending 31 March 2017 and provided an assessment of the Authority's arrangements to secure value for money. The Auditors were pleased to report that unqualified opinions had been issued in respect of both the financial statements and value for money arrangements. It had been concluded that the Authority had proper arrangements in place to ensure that it took properly informed decisions and effectively deployed resources to achieve planned and sustainable outcomes for local residents.

The report included one recommendation arising from the audit. This concerned the risk around producing the accounts in accordance with the new timetable next year. This brings the unaudited accounts publication date to 31st May from 30th June and the audit completion date to 31st July from 30th September. The Council is seeking to address this through having an early closure in January to finalise the first 10 months and ensuring that the JPUT reports on time. All of the previous year's recommendations had been addressed and cleared.

It was reported that although the Council had produced its draft parent financial statements in line with statutory deadlines, however it was essential that the Council put plans in place to ensure that the required information was received from the subsidiary company in a timely fashion in future.

Arising from Members' questions and comments the following points were noted:

- In order to meet financial deadlines, the Council's assets were individually valued by a professional valuer as at the 31st December each year. An analysis by the auditors of the movement in property indices in the period from 1st January to the 31st March indicated that property values could have increased by potentially £471k. The Executive Head of Finance decided not to make this adjustment as the use of an index was only a representation of the movement in the property market as a whole and not based on a review of individual Council assets. As the adjustment was below the auditors £900,000 materiality threshold they were content for the adjustment not to be made.
- The Council's Information Governance Manager was running mandatory training for all Council staff on the Council's duty to comply with the General Data Protection Regulations and consideration was being given to the role of a Data Protection Officer.
- It was considered important that all members were familiar with the new data protection regulations and it was agreed that data protection training for members should be provided.

RESOLVED that:

- i. The Chairman of the Committee approves the Financial Statements on behalf of the Council.
- ii. The Executive Head of Finance's Letter of Representation to the Auditors be approved.

11AS Disqualification Criteria for Local Authority Members

The Committee considered a report seeking feedback on Government proposals to update the criteria that barred individuals from becoming councillors.

The current criteria for disqualifying individuals from standing for election at a local level are set out in Section 80 of the Local Government Act 1972, paragraph 9 of Schedule 54B of the Local Democracy and Economic Development and Construction Act and Section 21 of the Greater London Authority Act 1999. Individuals can currently only be barred from standing for, or holding, office if they have within five years of the day of election, or since their election, been convicted in the UK, Channel Islands or Isle of Man of any offences and have received a sentence of imprisonment, suspended or not, for a period of not less than three months without the option of a fine.

The Government considers that these disqualification criteria no longer reflect the nature of sentencing options that can be conferred upon an individual to protect the public and address unlawful or unacceptable behaviour. The consultation proposes that, in addition to the original disqualification criteria, individuals who had been subject to the sex offender notification requirements or who were subject to certain anti-social behaviour sanctions should also be barred from standing for election or holding public office at a local level.

The Committee acknowledged that the proposals were well intentioned however concern was expressed that they could be construed as an infringement of people's privacy particularly in cases where convictions were considered to be spent and only needed to be

disclosed on a need to know basis. Furthermore a number of the penalties being used to tackle anti-social behaviour were based on new legislation and people would not be familiar with them so would not be aware of their potential impacts further down the line.

RESOLVED that:

- i. the Head of Legal Services meet with the Chairman and Vice-Chairman to draft a response to the consultation.
- ii. the draft response be circulated to the Committee for comment before its submission.

Chairman

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