

**Minutes of a Meeting of the Audit and Standards Committee held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on 21 November 2022**

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+ Cllr Cliff Betton (Chairman)  
+ Cllr Darryl Ratiram (Vice Chairman)

+ Cllr Rodney Bates	- Cllr Sashi Mylvaganam
+ Cllr Edward Hawkins	+ Cllr Valerie White
- Cllr Charlotte Morley	

+ Present  
- Apologies for absence presented

Substitutes: Cllr Morgan Rise for Cllr Sashi Mylvaganam

Members in Attendance: Cllr Pat Tedder and Cllr Peter Barnett

Officers Present: Gavin Ramtohal, Monitoring Officer  
Bob Watson, Strategic Director: Finance & Customer Services  
Alex Middleton, Senior Auditor

**8/AS Minutes**

The minutes of the meeting of the Audit and Standards Committee held on the 25<sup>th</sup> July 2022 were approved as a correct record.

**9/AS Declarations of Interest**

There were no declarations of interest.

**10/AS Statement of Accounts**

The Committee received an update on the audit of the Financial Statements for the 2019/20 financial year. Members were informed that the External Audit report was planned to be finished before the end of the 2022/23 Financial Year, but the External Auditors had not committed to this target. Upon receiving the report, a special Committee meeting had been planned for late January 2023.

Members were updated on the number of unresolved queries stored on the Inflo system stood at 19, however, the Committee were informed that as of 21/11/2022 the number of unresolved queries had risen to 24. This was attributed to the discovery of further discrepancies, but the majority of these issues were considered inconsequential.

Following discussion between Members, the following key issues were raised:

1. The number of outstanding queries on Inflo had been 9 at the end of November 2020. It was noted that the remaining queries would need to be actioned on prior to the Council elections.

2. BDO had already been replaced for 2023, with new Auditors being contracted.
3. Council Members and Officers could not influence the External Auditors failure to deliver on their contracted work.
4. The Council signed up to Public Sector Audit Appointments (PSAA) and agreed to accept the changes to the appointed External auditors. PSAA carried out a full tendering process, and advised the Council on the new auditors appointed through the scheme. The Council could have rejected the appointed firm, but then had to tender its own external audit and this was from a limited field and did not offer the cap on fees that PSAA provided.
5. The External Auditors had allocated additional resources to finish the audit on the 2019/20 Accounts.

The Committee expressed concern that the External Audit report had yet to be produced and noted the report.

## **11/AS Monitoring Officer's Annual Report**

Members received the Annual Standards Report from the Monitoring Officer, updated the Committee on standards issues that the Monitoring Officer had presided over from November 2021 to November 2022.

The report detailed the number of complaints had been received at both Borough and Parish level between November 2021 to November 2022 had reduced when compared to November 2020 to November 2021 and the majority of cases had been closed. 9 Complaints were dismissed as being without merit. One report was found to merit further investigation and in one instance had been resolved, but the part of the investigation was ongoing. The investigation did not require a Subcommittee hearing.

Code of conduct training had been planned regarding the use of language and the limits of freedom of speech that was applied to Councillors. This formed part of a new Members induction program had been developed for May 2023, which focused on the Members code of conduct.

The Committee were informed that the Annual Governance Statement had been redone in 2022, and that the Governance Committee had made comment. Planned changes to the Standards regime were set out, but there had been no timetable for their implementation created. These had been supplemented by the "Government response to the Committee on Standards in Public Life review of local government ethical standards" report that detailed 26 points for improvement across local government standards regimes.

Members received a report that updated the Committee on the value of waivers that had been approved since November 2021, which totalled £582,670 and an additional £232,000 had been granted to Legal Services through waivers.

A number of matters were arising following discussions and were as follows:

1. As independent statutory bodies, Parish Councils did not fall under the authority of the Borough Council with regard to Standards and Code of Conduct.
2. The Borough considered providing a standards guide to Parishes.
3. Half of the recorded complaints were made against Borough Councillors, and where there had been multiple complaints, some had been resolved.
4. More clarity was needed regarding the Waivers, how they were granted, cross department comparisons and the number of individual waivers granted.
5. Concern was expressed regarding the cost of the Local Plan (£150,000).
6. Local Plan contractors had been appointed through delegated authority by the Monitoring and Section 151 Officers respectively due to the time sensitive nature of the Local Plan.
7. A large amount of the Waiver was spent on specialist legal counsel and it was expected that the counsel had been needed up until publication of the Local Plan.
8. Local Procurement Regulations were set by the Council, if a contract is under £5,000 a single tender could approach, between £5,000 and £50,000, it was expected that 3 tenders had been used and over £50,000, a procurement process was initiated.
9. A Waiver was used when the procurement process had not been able to be followed, for example, only a single tender had been submitted due to the nature of the work or for continued service provided.

Members were informed that Waivers provided transparency throughout the process and that Waiver or not, contracts had only been approved by the Section 151 Officer or Monitoring Officer. The Committee were reminded that the Waivers procedure were set out in Contract Standing Orders – Part 4, Section I.

The Committee noted the report.

## **12/AS Internal Audit Recommendations Report**

The Committee received a report that detailed the progress on the Internal Audit recommendations raised and agreed since April 2021 to Summer 2022. Recommendations made recently had been omitted because Services required time for implementation.

The majority of Audit recommendations had been actioned, and 18 remained outstanding, one of which was considered an essential recommendation. This essential recommendation related to ensuring that the Council conformed to INSPIRE regulations, which fell under the IT department's remit. The loss of an experienced member of staff had delayed the implementation of this recommendation.

The remaining 17 recommendations were considered Desirable and Internal Audit continued to work with individual services to implement these.

The outstanding recommendations were broken down as follows:

- Revenues – 1

- Capital – 3
- Information Governance – 4
- Parking – 3
- Housing – 2
- Emergency Planning – 2
- Theatre – 1
- Fraud – 2

The number of parking related recommendations still outstanding had partly been due to the lack of reliable reports being run from the contracted service provider. Additionally, an E-Learning training package related to Fraud awareness was being developed and tested. Some housing issues remained outstanding.

Following discussion, a number of points were raised and were as follows:

1. Meetings between Information Governance had been organised with Officers from the Revenue and Benefits Service and CMT to move the recommendations forward.
2. A report on parking income had not been generated, which Internal Audit found however supplementary controls were found to be in place.
3. It was noted that the Section 151 Officer would be responsible for the circulation of Fraud Information to Council Officers.
4. The Fraud E-Learning Package had been delayed due to a number of issues including relevancy to the public sector as well as access issues
5. The outstanding recommendation regarding the recording of assets valued over £250 held by the Borough was expected to take a further 2 months to complete.

The Committee noted the report.

### **13/AS Date of Next Meeting**

It was agreed that the next meeting of the Audit and Standards Committee would take place on Monday 17<sup>th</sup> April 2023 at 7pm.

Chairman