

Minutes of a meeting of the **GOVERNANCE AND AUDIT COMMITTEE** held in the Council Chamber, Council Offices, Priory Road, Spalding, on Thursday, 17 March 2022 at 4.00 pm.

PRESENT

T A Carter (Chairman)

F Biggadike
H J W Bingham

C J T H Brewis
M Hasan

M D Seymour
S C Walsh

In Attendance: M Hodgson (Associate Partner, Ernst & Young), F Haywood (Head of Internal Audit (SHDC), Eastern Internal Audit Services), the Assistant Director - Finance, the Deputy Chief Finance Officer (Corporate) (PSPS) and the Democratic Services Team Leader.

31. APOLOGIES FOR ABSENCE.

There were none.

32. DECLARATION OF INTERESTS

There were none.

33. MINUTES

The minutes of the meeting of the Governance and Audit Committee held on 13 January 2022 were signed by the Chairman as a correct record.

With regard to updates from the meeting, the Chairman confirmed the following:

- Minute 26 – the Committee had raised an issue regarding bonds bought from the Municipal Bonds Agency. It was noted that a response from Link Group had been circulated with regard to the framework that was in place.
- Minute 26 – Officers had discussed the issue of the authorised limit for external debt with Link Group.

The Assistant Director Finance confirmed that with regard to the Link Group and the contract, a conversation had taken place with the Chief Finance Officer (PSPS) who had advised that the contract for Link Group was a PSPS contract. A quote to renew services with them had been received, as the contract was due to

Action By

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

expire that month, and other alternatives in the market to provide these services were also being looked at. A further update would be provided to the Committee when more information was available.

The Deputy Chief Finance Officer (Corporate) provided an update on the authorised limit for debt – a question had been asked at the last meeting on how the limit was calculated, and the officer explained the procedure of how the limit was assessed and how the value was calculated.

The Chairman commented that it was interesting that the Link Group contract was now coming up for renewal and it had been timely that the Committee had raised this – going forward, the Committee would wish to be advised of any future contract renewal earlier in the process.

34. 2020/21 AUDIT RESULTS REPORT

Consideration was given to the South Holland District Council Audit Results Report for the year ended 31 March 2021, produced by Ernst Young.

The Associate Partner (EY) provided the following update:

- The report provided assurances in order that the financial statements could be approved at the next agenda item.
- The main points of the report were:
- The materiality level being worked to was £1.133million – anything above this amount that was wrong would impact on the ability to issue an unqualified audit opinion, and any audit differences above £57,000 were being reported;
- Updates to the risk assessment following release of the Audit Plan in July 2021 were around pension risk, which had increased to 'significant' due to a change in actuary at the pension fund (the risk was that the actuary was not providing a full and complete data set upon which it could make liability judgements – EY had undertaken some checks to ensure that this data transfer was in order and satisfactory responses had been received).
- Outstanding items – Fraud letters were received on 15 March (there was nothing further for EY to do upon receipt of these); responses to Value for Money queries were received on 7 March (follow up questions had been issued and responses received yesterday) – as a result there were no significant risks to the Value for Money conclusion and no additional work was required. No further items had to be raised for attention within the audit report and an audit results addendum had

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

been issued today to this effect.

- Areas of audit focus were summarised and the conclusion to this was that all procedures had been completed and all required assurances had been provided. There were a limited number of disclosure differences identified through performance of these procedures, and there were three audit differences. Sufficient information had been received to provide an audit assurance.
- With regard to audit differences, these were detailed within Section 4 of the report – 1) There were two unadjusted audit differences (totalling £375,000, below the materiality level and would not impact the audit opinion, but was above the reporting threshold), and these were detailed within Section 4 of the report. The Committee would need to agree with management's decision not to alter the financial statements, and the rationale would need to be included in the Letter of Representation; and 2) There was an adjusted audit difference of £1.216million resulting from the audit of the Lincolnshire Pension Fund.
- In conclusion, the draft Financial Statements were robust and supporting information received throughout the audit was equally as good – the Committee could therefore take assurance from this. An Unqualified Audit Opinion had been given and further information on this was provided at Section 3 of the report.
- The Associate Partner (EY) thanked the Assistant Director Finance and Deputy Chief Finance Officer (Corporate) for their support with the audit.
- The Associate Partner (EY) advised the Audit Certificate could not be issued alongside the Audit Opinion because HM Treasury and the National Audit Office had not issued guidance on the thresholds for who and who not to audit for that. All auditors were awaiting this guidance before the Audit Certificate could be provided.

The following points were raised:

- Was the £1.216 million difference in liability because of assets (audit difference with regard to the Lincolnshire Pension Fund) reviewed every three years, or annually?
 - The Pension Fund was subject to a valuation performed by the Actuary every three years, and that valuation drove the level of contributions made by admitted bodies (employers' rate paid into the fund to support future payments to pensioners). The figures quoted in the report were as a result of the annual review undertaken by EY as part of the Pension Fund audit. The difference between the two

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

reviews was that the Actuary was looking at the income being received in year from employers/employees to fund it, and the EY audit was looking at asset values and what this meant for the pension liability.

- In response, members asked whether future contributions would be affected.
 - The Assistant Director Finance reiterated the point made by the auditor regarding the three-year review and advised a meeting had been held recently with the Actuary to discuss the next three-year review and how the fund was currently performing.
- Members noted that within Section 7 of the report, EY had been unable to complete the audit, and asked for some indication regarding the fees.
 - The auditor responded with approximate figures for the planned fee for 2020/21 – Group account consolidation was a requirement and the amount would be as stated; changes in work required would be a minimum of what was determined last year (at least £19,934 of the figure quoted of £26,540); additional procedures such as Government Grants, new standards and the Value for Money conclusion were at least £8,500 (a standard). The audit had gone well, but there had been some delays in receiving information, which would need to be reflected.
- Appendix A referred to an opinion of doing the accounts as a 'going concern' - what was the alternative, and did most councils run their finances as a going concern?
 - Every council prepared their accounts on a going concern basis (there was no option under the Code). There was a legal and an accounting view with regard to this. Preparing accounts under 'going concern' was the legal view as services to local residents would always have to be provided. From an accounting perspective, a level of funds to support this was required – not just a level of reserves, but the cash flow to pay salaries etc.

AGREED:

That the 2020/21 Audit Results report be received.

35. APPROVAL OF FINANCIAL STATEMENTS 2020/21

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

Consideration was given to the report of the Deputy Chief Executive – Corporate Development (S151) which sought approval for the Annual Governance Statement for inclusion with the Council's published Financial Statements, and approval of the Audited Financial Statements 2020/21 for publication.

Officers highlighted the following points:

- The external audit of the Financial Statements was now complete, as covered in the previous agenda item. All outstanding information had now been provided to EY, and there were no further issues arising.
- Members were asked to give delegated authority for further amendments, if required, and approval of the Financial Statements to the S151 Officer and the Chairman of the Committee – the report would be signed off next week.
- There were a small number of presentational adjustments made to ensure compliance with the Code of Practice on Local Authority Accounting. Enhanced disclosures had also been made in relation to the grants note, with more detail on income and expenditure relating to Covid grants.
- An adjustment had been made to the pension liability following the revised report that was received, which contained updated asset values. This had resulted in a reduction of the net pension liability of £1.2million.
- Two audit differences remained unadjusted. The Council's share of PSPS's net pension liability had been estimated to be overstated by £283,000 due to PSPS's accounts and audit process being concluded before the revised pension report was received. EY also identified a grant receivable, due to be accounted for in 2020/21 (£91,000) but included in 2021/22. These items were not material.

AGREED:

- 1) That the Financial Statements 2020/21 (Appendix A) be approved;
- 2) That the S151 Officer, in consultation with the Chairman of the Committee, be authorised to approve any amendments, if required, after the Committee date and prior to the official signing of the Accounts;

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

- 3) That the Annual Governance Statement 2020/21 be approved; and
- 4) That, following review and approval by the Committee of the letter of representation to EY (Appendix B), the S151 Officer and Chairman of the Committee be authorised to sign it on the Committee's behalf.

36. FINANCIAL STATEMENTS 2021/22 - ACCOUNTING POLICIES

Consideration was given to the report of the Deputy Chief Executive – Corporate Development (S151) which requested that the Committee review and agree the Accounting Policies for inclusion in the Financial Statements 2021/22.

The Accounting Policies were appended to the report at Appendix A. The policies were prepared in line with CIPFA's Code of Practice on Local Authority Accounting 2021/22. It was good practice to consider and agree the accounting policies in advance of the production and approval of the draft accounts, and the report formed an annual review by the Governance and Audit Committee.

There had only been minor areas of change within the Code of Practice in 2021/22, none of which required amendments to be made to accounting policies.

Since Boston Borough Council became a shareholder of PSPS Ltd on 1 April 2021, the shares of assets, liabilities, income and expenditure that the authority was required to include within its Financial Statements, regarding the joint operation had reduced from 37% to 28%. This was reflected in the financial liabilities section of the accounting policies and would be fully disclosed in the joint operations note.

The release of the template accounting policies and disclosure notes was still being awaited from Link Asset Services. Once received, these would be reviewed against the draft accounting policies, and any required adjustments would be made.

The 2021/22 unaudited Financial Statements needed to be completed by 31 July 2022 and would be presented to the Committee when complete. The accounting policies would be included within the Statements, and any minor changes made during the Statements production process would be agreed with the S151 Officer and highlighted to the Committee on that date.

The following points were raised:

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

- Members asked why the Link template accounting policies had not yet been received.
 - Officers responded that this was not unusual – they were normally received in March/April and officers would undertake the comparison when the templates arrived.

AGREED:

That, following review by the Committee, the Accounting Policies for 2021/22 at Appendix A be agreed.

37. Q3 RISK REPORT

Consideration was given to the report of the Assistant Director – Governance (Monitoring Officer) which provided an update to the Committee on the progress of the Council's identified strategic risks.

In the absence of the Senior Change, Improvement and Performance Business Partner, the Assistant Director – Finance updated the Committee on the main points detailed within the Risk Report.

- The risk of a cyber incident had been increased slightly in line with the national trend for Cyber Security threats across Public Sector which had almost doubled in the past 12 months, linked to the ongoing conflict between Russia and Ukraine.
- The risk of a breach of regulatory compliance had been lowered as Covid restrictions had recently been lifted, and the regular and fast-paced changes in law and guidance that were previously the norm were no longer being seen.
- The risk around council financial positions had increased slightly as a detailed budget review process was being planned for the 2023/24 year however, pressures were starting to be seen. Earlier in the month, the Council had approved the budget for 2022/23 however there were a number of unknown factors on the horizon such as Fair Funding and Business Rates re-set.
- The risk monitoring changes to policy and legislation in relation to Covid had been lowered. Covid legislation enforced by the Council had now been repealed, the Public Protection service continued to work with LCC on outbreak management although this demand had decreased significantly
- The risk of changes to the Council's strategic partnership had reduced as the strategic partnership was further embedded and the programme management board continued to focus on

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

ensuring the partnership delivered on its objectives – the rationale to lower the risk was focused on key mitigations that were now in place such as a single Corporate Leadership Team (Chief Executive, Deputy Chief Executives and Monitoring Officer) and the meetings of the Stakeholder Group (Leaders, Deputy Leaders and Finance Portfolio Holders) which continued to take place on a six weekly basis providing a mechanism for cross Council discussions.

The following points were raised, and the Assistant Director advised that any questions requiring a response would be fed back to the Senior Change, Improvement and Performance Business Partner to action:

- Members commented that these were very uncertain times, and that officers should be thanked for their hard work in dealing with the issues
- The Chairman commented that there were a few areas where she would have expected there to have been movement (Vulnerability Risk, and Decision Making) however, she was comfortable with the status of most risks within the report.
- A recent decision had been to set up a S&ELCP Community Lottery – was there any risk to the Council surrounding this, for example any financial risks, or that a private firm would be employed to undertake this (and if so, had the bid been competitive)?
 - The Assistant Director – Finance responded that risks would have been considered before the decision was made. Officers would provide a response to the issue raised, and this would be circulated to the Committee prior to the next meeting.
- Members raised the issue of staff retention – could the current risk score be backed up as there appeared to be a number of vacancies. The employment market was currently very competitive - was the staffing situation in line with other Councils and were there sufficient incentives in place to retain staff within the Partnership?
- The Chairman commented that a lot of work had been done around staff retention however, a fuller response on this was requested from officers.
- Members followed up by asking whether there could be an increase in staff costs if there were vacancies – was there a contingency for this?
 - The Assistant Director – Finance responded that, as

GOVERNANCE AND AUDIT COMMITTEE -
17 March 2022

part of the budget setting process, there were a number of assumptions made on the national pay increase. With regard to individual recruitment issues, it was possible to add a market supplement for difficult to recruit posts. A fuller response would be provided to members.

- Members asked that, following discussions at the meeting of the Performance Monitoring Panel the previous evening, closer scrutiny over the next reporting period be applied to the Parkwood leisure contract, and to the performance of the PSPS contract. It was felt that there were potential underlying issues, and risks around these areas did not appear to have changed.

AGREED:

That the content of the report be noted.

38. PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

Consideration was given to the report of the Head of Internal Audit which examined progress made between 5 January 2022 to 8 March 2022 in relation to the completion of the Internal Audit Plan for 2021/22.

The Head of Internal Audit introduced the report and highlighted the following points within the Progress Report and its appendices:

- Section 2.1 highlighted that three audits (Legal Services; Budget Sustainability Savings; and Digital Strategy) had been postponed at the request of management, the reasons predominantly being as a result of the impact of partnership working
- Section 3.1 highlighted that 63% of the Plan had been completed. A few audits had been rescheduled, but good progress was being made and all was on track to provide an opinion at the July meeting.
- Section 4.4 confirmed that three reports had been finalised and issued – Cyber Security (Reasonable Assurance); Licensing (Substantial Assurance) and Payroll (Audit Lincolnshire) (Reasonable Assurance).
- Section 4.6 advised that work on Corporate Fuel Cards had been concluded. The policy and process had been considered and no significant concerns had been raised. However, it had been requested that business intelligence be undertaken over the use of fuel and bearer cards.

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

- Appendix 1 provided a visual representation of progress in the completion of the agreed audit work
- Appendix 2 provided an executive summary and details on finalised reports.
- The maturity assessment of Cyber Security was in a different format to what the Committee usually received. This was a very bespoke piece of work undertaken by TIAA and a lot of insight into the review was provided. The outside line (blue) of the spider diagram at item 10 within the Summary at Appendix 2 indicated the aspirations of the Authority and PSPS around cyber security. Evidence of the current situation was shown by the green line. Further information regarding the current position against aspiration was provided in the accompanying table.

The following points were raised:

- Members raised concerns that requests for deferment due to the impact of partnership working (at section 2.1) should not become a default reason for delays.
 - The Head of Internal Audit confirmed that deferments were to be avoided wherever possible and that where requested, a viable reason was needed.
- The Chairman commented that the spider diagram referred to was useful.
- With regard to cyber security, it would be interesting to know how PSPS's level of cyber control compared to other contractors. In addition, why was the supply chain element not tighter than it was?
 - The Head of Internal Audit responded that she could not comment on the control framework for other, larger organisations, but the supplier element was a new feature to the maturity assessment so it was not unusual to see a lower assessment at this stage. It was an area that continued to move, and which required quick adaptability and that Reasonable was a good result.
- At Appendix 2 under Issues to be Addressed (previous audit recommendations), it was stated that 'the audit reviewed the previous internal audit recommendations, of which two remained outstanding relating to updating of the Hackney Carriage and Private Hire Licensing Policy.....'. How long ago had the previous audit been, and why had these not been dealt with by Licensing?

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

- The Head of Internal Audit commented that the Committee had been provided with information on the Licensing recommendations that were important. She would check on progress of this item and report back to the Committee.
- At Appendix 2 under Issues to be Addressed (Complaints, Appeals and Revocation of licenses) members commented that it was good that complainants would be notified of the outcome of their complaints in a timely manner – this was required to encourage the public to engage with the Authority where necessary.
- At Appendix 2 under Issues to be Addressed (other issues noted), members asked why the statement ‘Digital licence applications are now received by the Licencing Team via email and processed in the same way as hard copy applications’ was included.
 - The Head of Internal Audit agreed that it seemed more of a comment than an issue and would check a reason for this with the auditor.
- The Chairman did not like the layout used for the Payroll audit, and did not feel that it was very user friendly and the difference in the various ways of reporting made comparison difficult.
 - The Head of Internal Audit advised that the layout was from an Audit Lincolnshire report that had been completed. The Committee’s views would be fed back.
- With regard to the Payroll Audit (Key Messages), it was stated that there was a snag list of actions to be implemented – what was the timescale for this?
 - The Head of Internal Audit advised that she would obtain and share this information.
- Members commented that with regard to the Payroll audit, there was a medium risk stated relating to fraudulent or incorrect payments – was the medium risk as a result of fraud or process.
 - The Head of Internal Audit confirmed that no fraud had been found, and that the risk was around processing risks.
- At Appendix 2 under Issues to be Addressed (Positive Findings), it was stated the Council had an up-to-date Gambling Act 2002 policy dated January 2022, which adhered

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

to guidance issued by the Gambling Commission. In light of the issue raised earlier in the meeting regarding the Community Lottery, members requested that it be confirmed that this adhered to the Council's Gambling Policy?

- The Head of Internal Audit confirmed that, although this was not an issue specifically related to the Committee's remit, a response to the question would be sought.

AGREED:

That the information detailed within the report be noted.

39. FOLLOW UP REPORT ON INTERNAL AUDIT RECOMMENDATIONS

Consideration was given to the report of the Head of Internal Audit which provided members with the position on the progress made by management in implementing agreed Internal Audit recommendations for the period 2 November 2021 to 8 March 2022.

The Head of Internal Audit introduced the report and highlighted the following points:

- The report was looking much healthier than it had in the past, due to officer involvement, and the support provided by the Committee in ensuring that outstanding actions were addressed.
- The outstanding recommendation (from 2017/18) relating to Asset Management had now been resolved;
- With regard to the Strategic Housing audit area detailed at Appendix 2, the responsible officer had highlighted that the original idea had been for the development of a strategy to cover all areas of development however, this had since been reconsidered and had been broken down into different activities. The original risk had been that, from the opportunities presented, it was not clear whether Welland Homes would take these on or whether they would be dealt with through shared ownership, HRA Strategy or internal investment. This had now been broken down into key pieces of work, and completion of the policies and outline documents was being undertaken step by step. It could now be confirmed that the shared ownership strategy and the HRA strategy were resolved, that the Welland Homes Strategy would shortly be considered by the Policy Development Panel and Cabinet. In considering the original risk raised, it was concluded that much work had been done in this area and that it was now possible

GOVERNANCE AND AUDIT COMMITTEE -
17 March 2022

to sign this off as the original risk had been mitigated.

The following points were raised:

- Members questioned whether there had been any movement with regard to the Environmental Services item (SH2020 – Car Parks).
 - The Assistant Director – Finance confirmed that the Procurement Manager had advised that the tender specification was currently being written, with the intention of it being published within the next couple of weeks. The indicative timeline was for a new contractor to be appointed by the end of July at the latest.
 - The Head of Internal Audit confirmed that the original recommendation stated that officers consider what to do, rather than providing confirmation that a contract was in place. By instructing Procurement to take this forward and to work on a tender specification, this recommendation had been satisfied.

AGREED:

That the content of the report be noted.

40. ANNUAL INTERNAL AUDIT PLAN 2022/23

Consideration was given to the report of the Head of Internal Audit which provided an overview of the stages followed prior to the formulation of the Annual Internal Audit Plan for 2022/23.

The Internal Audit Plan provided the basis for the Annual Audit Opinion on the overall adequacy and effectiveness of South Holland District Council's framework of governance, risk management and control.

The Strategic and Annual Internal Audit Plan 2022/23 was attached as an appendix to the report.

The Head of Internal Audit introduced the report and highlighted the following points:

- In formulating the Audit Plan, consideration had been given to areas which could be provided by each Internal Audit provider.
- Consideration had been given to the Authority's Strategic Risk Register and any previous assurance gradings given, and a plan of work had been formulated which gave the Authority assurance over the key risks.
- Leisure was included within the first half of the year.

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

- 170 days in total had been built in for 2022/23.
- Members were invited to provide any feedback and comments on individual areas for audit.

The following points were raised:

- When considering audits for the year ahead, was there capacity built in to accommodate unannounced audits where no pre-warning was given?
 - The Head of Internal Audit advised that the process followed was the risk-based internal auditing approach, driven by the key risks faced by the Council at that time, and in line with the Public Sector Internal Audit Standards. Any internal audit provider would consider this when putting their plan together. Picking audits at random would be good however, in view of coverage and best use of that coverage, a plan with risk in mind was more important.
 - The Chairman suggested that members should feed in suggestions for audits of any areas that they felt should be looked at.
 - The Assistant Director – Finance advised that, built into the audit plan days, there was capacity for the S151 Officer and other officers of the Council to instruct auditors to investigate specific areas that they felt would benefit from an audit. An example of this was the audit around Fuel Cards, which had not been included in the original audit plan. The S151 Officer reserved the right to flex the audit plan to address any perceived risks to the Council.
- As detailed within the report, the 2022/23 plan provided details of the audit work that would be undertaken in the year by both TIAA and Assurance Lincolnshire

AGREED:

That the Annual Internal Audit Plan 2022/23 be noted and approved.

41. AUDIT COMMITTEE SELF-ASSESSMENT EXERCISE

The Chartered Institute of Public Finance and Accountancy (CIPFA) document on ‘audit committee’s practical guidance for local authorities and police’ laid out the guidance on the function and the operation of audit committees. It represented CIPFA’s view of best practice and incorporated the position statements previously issued.

GOVERNANCE AND AUDIT COMMITTEE -
17 March 2022

The Governance and Audit Committee had been undertaking self-assessments since 2008, and consideration was given to the updated CIPFA Audit Committee Self-Assessment Checklist following updates made at the January 2022 meeting.

The Head of Internal Audit introduced the report, and highlighted the following areas:

- The information within the appendix had been fed in from consideration of the self-assessment at the last meeting of the Committee in January 2022;
- All responses within the first table were answered 'Yes' with the exception of question 4 which had been answered 'Partly';
- Commentary for items highlighted as part of the exercise undertaken at the January meeting were detailed underneath the first table;
- Section 1.8 of the covering report provided information on the changes made, and actions to be taken forward:
 - In response to Question 4 – A member-style bulletin to be considered to highlight the work of the Committee. The Head of Internal Audit commented that the Committee should discuss this and potentially add the suggestion to its programme of work. She also advised of an example of a good leaflet that had been used by other authorities a number of years ago which the Committee could consider using.
 - In response to Question 6 – This response had moved to a yes, following research of the approach taken at other Councils. It was confirmed that in line with the guidance, the Committee reports to full Council and produces a report annually as an assessment of their performance. The Head of Internal Audit confirmed that by producing an annual report to Council, this area would be satisfied.
 - In response to Question 18 – The Committee considered the answer to be 'yes' to this question however, it had been agreed that feedback would be requested at year end from officers interacting with them. The Head of Internal Audit commented that surveys could be undertaken at end of year – Internal Audit would send a survey to the Chairman of the Committee to obtain feedback on Internal Audit's work, and they would also send out a survey to officers to obtain feedback on their interaction with the Governance and Audit Committee. The results would then be shared with the Committee. The Chairman asked for confirmation that this action would sit with

GOVERNANCE AND AUDIT COMMITTEE -

17 March 2022

Internal Audit and the Head of Internal Audit responded that it would, and that the action would be passed over to the new auditor in due course.

- In response to Question 15, it had been suggested that the CIPFA Audit Committee Core Knowledge and Skills Framework be circulated to Committee members annually, and that if any gaps were identified, training should be requested.

The following points were raised:

- Members commented that it was important for there to be a wider knowledge of the role of the Governance and Audit Committee amongst councillors, and that a wider understanding of its vital role was needed.
 - The Head of Internal Audit agreed that wider understanding of the role was important. The common perception was that the Committee focussed predominantly on finance however, governance and risk management were also important areas within its remit.
- Members commented that it was sometimes difficult to encourage councillors to be members of the Committee and could attendance of the Committee be looked at?
 - Although the Governance and Audit Committee at SHDC had a healthy attendance record, it was noted that attendance was not included within any annual reporting.
- Members commented that, with regard to the effectiveness of the Committee, the Head of Internal Audit had commented earlier in the meeting that engagement with officers had improved following the Committee's determination to assist in improving the completion of historic audit recommendations. The Committee would often request that officers attend a meeting to explain the situation with regard to outstanding actions. The Committee's involvement had resulted in a real change in attitude and produced results.

AGREED:

That the report and attached checklist at Appendix 1 be noted as an accurate reflection of the discussion and points raised at the meeting of the Governance and Audit Committee on 12 January 2022.

GOVERNANCE AND AUDIT COMMITTEE -
17 March 2022

42. GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME

Consideration was given to the report of the Assistant Director – Finance which set out the Work Programme of the Governance and Audit Committee.

Also attached to the report was a schedule of training provided to the Committee since 2019 and suggested future topics. Members were requested to consider the information and any future training options.

The Democratic Services Team Leader and the Assistant Director – Finance advised the Committee of the following:

- The 2022/23 Schedule of Meetings had yet to be finalised – once it had, the Work Programme would be populated with the meeting dates for the forthcoming year, along with items for consideration at each of those meetings;
- A package of training to be delivered to Committee members was currently being considered. This would support members and ensure that councillors had the appropriate skills and tools required to be effective members of the Committee. It was also hoped that this would make membership of the Governance and Audit Committee a more attractive option for councillors.
- The focus for the Committee had, until now been very finance-focussed and it was therefore important to strengthen governance-related skills and knowledge.
- It was suggested that the first topics for training could be around cyber security and pensions.
- Where appropriate, it was suggested that training sessions be undertaken together with members of the equivalent committees within the S&ELCP.

The following points were raised:

- Members commented that it would be good to undertake training jointly for common areas. It was suggested that the training could be opened up to all other members who were interested.
- Members commented that the topic of pensions was one that often arose, and training in this area would be valuable.
- Members agreed that the list of future topics suggested within the report were the right ones and where possible, they should be aligned across all three authorities.

GOVERNANCE AND AUDIT COMMITTEE -
17 March 2022

AGREED:

That the report be noted.

43. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT.

There were none.

(The meeting ended at 5.20 pm)

(End of minutes)