

## ACTIONS

<b><u>ACTIONS FROM THE GOVERNANCE AND AUDIT MEETING HELD ON 17 NOVEMBER 2022</u></b>			
MINUTE NO.		ITEM	RESPONSIBLE OFFICER
24. 22/23		<b><u>Q2 RISK REPORT</u></b>	
✓	<b>(a)(i)</b>	<p>Members discussed the risks that related to both economic downturn and economic hardship:</p> <p>Members referred to ‘economic downturn’ risk and noted that since the report was produced, a number of companies in the district had announced closures/ceased trading. Potential redundancies would have a significant impact on the local economy. The Committee strongly determined the risk rating of 3 to be too low and requested that this opinion be communicated to relevant officers.</p> <p style="color: red;">UPDATE: The risk around economic downturn has been reviewed with the Economic growth Director and team, risk score has been amended to reflect current economic climate</p>	<b>Corey Gooch</b>
✓	<b>(a)(ii)</b>	<p>Members also referred to the ‘economic hardship’ risk and requested further details regarding the ‘working with landlords’ mitigation.</p> <p style="color: red;">UPDATE: Further mitigation detail has been added to register</p>	
✓	<b>(a)(iii)</b>	<p>Members queried the impact that economic hardship would have on the partnership lottery.</p> <p style="color: red;">UPDATE: Risk has been raised with Assistant Director of Community and Wellbeing, there is no direct impact at this point as this is an optional scheme</p>	
✓	<b>(b)</b>	<p>Members requested that Appendix A and Appendix B be clearly separated in future iterations.</p> <p style="color: red;">UPDATE: Noted. These will be clearly separated in future iterations.</p>	<b>Corey Gooch</b>
✓	<b>(c)</b>	<p>Members referred to the risk relating to the ‘failure to deliver new homes programme’ and questioned whether the delivery pace of new homes was too quick/frontloaded, potentially resulting in a future economic slowdown when projects were completed. Members requested a risk be included for this aspect of delivery.</p> <p style="color: red;">UPDATE: Risk has been reviewed with Growth team, whilst there is no risk to over delivery of housing by the authority, there will always be a need to consider the wider need to accommodate population growth in an area</p>	<b>Corey Gooch</b>

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✓	<b>(d)(i)</b>	Members referred to the risk relating to ‘failure to meet statutory requirements regarding general fund assets’ and noted that the Business Support Officer narrative was incomplete. <b>UPDATE: Formatting issues would be rectified for Q3 when the report would be generated wholly through the Pentana system.</b>	<b>Corey Gooch</b>
*	<b>(d)(ii)</b>	Members queried whether the intention had been for the Business Support Officer role to remain temporary as this position was likely to be required going forward. <b>UPDATE: Post is in place at present, awaiting confirmation as there is some further recruitment activity taking place within the team</b>	
✓	<b>(e)</b>	Members referred to the risk score of 3 for ‘internal communications’ and questioned this was realistic. The Q1 Performance Report 2022/23 presented at the 19 October 2022 Performance Monitoring Panel meeting stated the ‘percentage of workforce who felt informed about the Partnership and what decisions it was making’ was 44. <b>UPDATE: The risk will be reflected to match the recent performance indicators.</b>	<b>Corey Gooch</b>
<b>26. 22/23</b>		<b><u>PROPOSED AMENDMENTS OF THE COUNCIL’S CONTRACT PROCEDURE RULES AND FINANCIAL PROCEDURE RULES</u></b>	
✓	<b>(a)</b>	Members requested that external advice be taken with projects to mitigate against issues that national companies had faced. <b>UPDATE: This is noted. It is common for the Delivery team to source external advice to undertake feasibility checks such as Ground Conditions Reports etc.</b>	<b>Martin Gibbs Sam Knowles</b>
✓	<b>(b)(i)</b>	Members referred to point 5.2 which listed records to be kept for tendered contracts of between £40,000 and £85,000 in value and asked why records were not kept for all values.	<b>Martin Gibbs</b>
✓	<b>(b)(ii)</b>	Additionally, point 5.3 stated that records kept for contracts up to £40,000 ‘should be proportionate to the value of the contract’ however it was not clear how proportionality was assessed, and the approach was subjective.  <b>UPDATE: I have made the necessary changes to this section and these were sent to Councillor Carter, who agreed she was happy with the change made.</b>	
✓	<b>(c)</b>	Members referred to the £40,001 to £85,000 threshold stated at point 9 of the report and requested that at least two quotations be required. An exception could be considered where a single/limited supplier(s) existed, in which case the exemption process could be followed.	<b>Martin Gibbs</b>

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		<p>UPDATE: It was suggested that the £40,001 - £85,000 threshold has “a minimum of 2 quotations received” added. We have thought about this, and the proposal is to keep it as seeking 5 quotations as the Procurement &amp; Contracts service will be fully involved in this process and there can be the odd occasion where we have gone out and invited more than 5 to quote, and due to certain circumstances (like the current industry issues), we have only received 1 quote back. What would happen in this scenario is my team would then undertake necessary checks and meet with the client officers to ensure that the 1 quotation received is a good value for money offering (e.g., we don’t have to accept it and can go back out to market). Where there is time to do so, we would scour the market sourcing an additional quote. The Chairman noted that she was happy with the above.</p>	
✓	(d)	<p>Members asked whether the tender form included a declaration of a close relationship with a Councillor/officer.</p> <p>UPDATE: We have a document that suppliers sign currently that covers off collusion and prevention of corruption – in addition to this, the following is included within our draft tender documentation which are notes for disqualification:</p> <ul style="list-style-type: none"> <li>• To inappropriately influence this Procurement Process;</li> <li>• To engage in direct or indirect bribery or canvassing by you or your appointed advisers in relation to this Procurement Process; or</li> <li>• To obtain information from any of the employees, agents, advisors, or Councillors of the Contracting Authority concerning this Procurement Process (other than as set out in these Tender Conditions) or from another potential supplier or another tender response.</li> </ul> <p>We also have a DOI form for evaluators to sign before evaluating tenders in case they have a conflict of interest with a supplier. I am satisfied that this covers the process of avoiding any conflicts of interest within the tendering process.</p>	<b>Martin Gibbs</b>
✓	(e)	<p>Members asked whether the policy change needed to be scrutinised by the Policy Development Panel?</p> <p>MINUTED MEETING RESPONSE: The Assistant Director – Finance responded that Contract Procedure Rules were part of the constitution and therefore the report process of Governance and Audit, Cabinet and Council had been followed. This process would be checked with the Monitoring Officer.</p> <p>UPDATE: The Monitoring Officer confirmed the correct process had been followed.</p>	<b>Sam Knowles</b>
27. 22/23		<b><u>PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY 2022/2023</u></b>	

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✓	(a)	<p>Members requested the prioritisation of audits on both Leisure provision and the South Holland Centre before the end of the current administration. Should the planned Leisure audit be delayed, it would need to be prioritised for the beginning of the next audit cycle.</p> <p>MINUTED MEETING RESPONSE: The Assistant Director – Finance will discuss timings of the audits with the service and provide feedback to the Committee</p> <p>UPDATE: a verbal update will be provided by the Assistant Director – Finance at the 19 January 2023 Governance and Audit Committee meeting.</p>	<b>Sam Knowles</b>
✓	(b)	<p>Members commented on the content and format of the report:</p> <ul style="list-style-type: none"> <li>• Members requested that the Progress Report on Internal Audit Activity and the update on Internal Audit Recommendations come forward to the Committee as separate reports;</li> <li>• Contextual narratives were required throughout the report to enable the Committee to understand the current position and track progress;</li> <li>• Detailed information was required for the Assurance review narratives: recommendations and action to be taken needed to be specified;</li> </ul> <p>UPDATE: All formatting and content requests have been noted and will be incorporated into the next report.</p>	<b>Matthew Waller &amp; Amanda Stanislawski (Assurance Lincolnshire)</b>
✓	(c)	<p>Members requested feedback on the handover/transition between T.I.A.A. and Assurance Lincolnshire;</p> <p>UPDATE: Response from Matthew Waller: I had a meeting with the previous Head of Audit to discuss the role and received some handover documents. I also set up a meeting with the Chair and Vice Chair to introduce myself and discuss working practices.</p>	<b>Matthew Waller (Assurance Lincolnshire)</b>
28. 22/23		<b><u>GOVERNANCE AND AUDIT WORK PROGRAMME</u></b>	
✓		<p>Members requested a short Treasury verbal update come forward to the 19 January 2023 meeting which summarised the recent changes encountered within the financial markets and the subsequent effects on the Council's situation.</p> <p>UPDATE: Noted and actioned. Item included in the Governance and Audit Committee Work Programme to come forward at the 19 January 2023 meeting.</p>	<b>Sean Howsam</b>

	<b><u>OUTSTANDING ACTIONS FROM PREVIOUS GOVERNANCE &amp; AUDIT COMMITTEE MEETINGS</u></b>	
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18. 22/23		<b><u>PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY 2022/2023</u></b>	
		<b><u>22 SEPTEMBER 2022</u></b> <b><u>PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY 2022/2023</u></b>	
*	(a)	<u>Housing Needs, Allocations, Homelessness and Housing Register</u> <b>Recommendation 1</b> (Important) – Full assessments of homelessness applications be completed as soon as possible after the application is received. Performance in this regard should be monitored to ensure that applications are assessed within a pre-determined timescale.  <b>UPDATE: Samples and narrative were circulated by email to the Governance and Audit Committee on 1 December 2022. A presentation, which will include details of emergency assessment cases not included in the samples, will be made to members in due course</b>	<b>Gemma Johnson</b>
✓	(b)	<u>Housing Needs, Allocations, Homelessness and Housing Register</u> <b>Recommendation 2</b> (Important) – All decision letters to be uploaded to the relevant case.  <b>UPDATE: Samples and narrative were circulated by email to the Governance and Audit Committee on 1 December 2022</b>	<b>Gemma Johnson</b>
9. 22/23		<b><u>28 JULY 2022</u></b> <b><u>Q4 Risk Report</u></b>	
*	(a)	Members had not yet received the ‘external communications breakdown’ training  <b>UPDATE: Training will be covered in member training following the 2023 District Elections.</b>	<b>Shaun Gibbons</b> <b>Christine Morgan</b>
✓	(b)	Concerns were raised regarding Change4Lincs and members asked how the service could be improved. Was the contract being managed?  <b>UPDATE: From a monitoring perspective, monthly operational meetings are conducted between managers across the councils where operational issues are discussed and appropriately actioned. A strategic meeting, attended by relevant Assistant Directors/Directors and Portfolio Holders, is then conducted every quarter to ensure Change4lincs is meeting its funding obligations and to ensure all challenges and opportunities are fully understood and tasked back through to the operational group.</b>  The following reports have been requested to come forward as key performance indicators: <ul style="list-style-type: none"> <li>• Number of referrals per month (from South Holland and all 4 councils)</li> <li>• Breakdown of type of referral (outreach, support etc)</li> <li>• Outcomes of referrals</li> </ul>	<b>Emily Spicer</b>

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		<ul style="list-style-type: none"> <li>• Financial records</li> </ul>	
<b>10.</b> 22/23		<b><u>28 JULY 2022</u></b> <b><u>GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME</u></b>	
*		<b>Regarding Appendix B:</b> New date for Draft Accounts training required <b>UPDATE: To be arranged after the auditor's field work was completed. Fieldwork still underway (January 2023).</b>	<b>Sam Knowles</b> <b>Ellie Stacey</b>
<b>41.</b> 21/22		<b><u>17 MARCH 2022</u></b> <b><u>AUDIT COMMITTEE SELF-ASSESSMENT EXERCISE</u></b>	
*	<b>(a)</b>	Question 4 - Is the role and purpose of the audit committee understood and accepted across the authority? <b>UPDATE: To be considered as part of the training plan being developed.</b>	<b>Christine Morgan</b> <b>Andrea Tait in liaison with Matt Waller Sam Knowles Chairman</b>
*	<b>(b)</b>	Question 6 – Are the arrangements to hold the committee to account for its performance operating satisfactorily? The Head of Internal Audit confirmed that by producing an annual report to Council, this area would be satisfied. <b>UPDATE: To be introduced. Governance and Audit Committee 19 January 2023 to consider what information to include within the annual report.</b> <b>UPDATE 10/01/23</b> <b>To be introduced to the Committee as part of the Work Programme at the 19 January 2023 meeting with a view to a report coming forward to request member input at the 16 March 2023 meeting.</b>	<b>Christine Morgan</b> <b>Andrea Tait in liaison with Sam Knowles Chairman</b>
*	<b>(c)</b>	Question 18 – Has the Committee obtained feedback on its performance from those interacting with the committee or relying on its work? Feedback would be requested at year end <b>UPDATE: It was noted that Internal Audit would survey: the Chairman of G&amp;A to obtain feedback of the Internal Audit's work; and officers regarding interaction with the Committee.</b>	<b>Matt Waller</b> <b>Internal Audit</b>
*	<b>(d)</b>	Question 15 – Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory? <b>UPDATE: To be incorporated as part of the Training Plan.</b>	<b>Sam Knowles</b>
<b>42.</b> 21/22		<b><u>17 MARCH 2022</u></b> <b><u>GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME</u></b>	
*		Training package prioritised Pensions and Cyber Security. <b>UPDATE: Pensions training completed.</b>	<b>Sam Knowles</b>