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Minutes of a meeting of the Governance and Audit Committee held on Tuesday 9th February 2021 at 6.30pm

Present:

Councillor Long (Vice Chair in the Chair)

Councillor Molloy

Councillor Price

Councillor Tandy

2020/2021

This meeting is available to view using the following link:

<https://www.youtube.com/watch?v=U9VWrLWdwbo>

9. Virtual Meeting Protocol and Use of Mobile Devices

The Chairman opened the meeting and explained how it would be conducted and the protocol that would be followed, including how any break in the proceedings due to technical difficulties would be managed.

10. Apologies

There were apologies from Councillors Blanchard-Cooper and Northeast with Councillor Tandy attending as substitute.

11. Declarations of Interest

Members and Officers were reminded to make any declarations of disclosable pecuniary or personal and/or prejudicial interests that they might have in relation to items on the Agenda. The standing declarations were noted, and no further declarations were made.

12. Minutes

The Minutes of the meeting held on 7th July 2020 (previously circulated) were confirmed as a true record and it was noted that arrangements would be made for these to be signed at a later date.

13. Chair's Report and Urgent Items

There were none.

14. Public Forum

In accordance with the Remote Meetings Protocol introduced by the Town Council, members of the public who wished to address the Council or any of its Committees during a remote meeting should have emailed their representations one clear working day before the meeting. There were none.

15. Officer's Reports

15.1. Notices of Motion (NoMs)

- 15.1.1 The Committee had before it two Notices of Motion which had been debated at Full Council on 21st January 2021. In broad terms, the NoMs sought Full Council approval of all expenditure over £10,000 and that reports and minutes included financial implications within the recommendations. Members had not been opposed to the broad principles of the NoMs, the second of which could be implemented forthwith and included in Standing Orders or Financial Regulations. However, more clarity was required regarding the first NoM, particularly to determine the extent that was envisaged.
- 15.1.2 Using a list of typical expenditure over £10,000, Members proceeded to consider the impact of implementing the NoMs in terms of the Council's existing Governance arrangements. Whilst £10,000 was considered the right level of expenditure to set, the consensus was that it was not intended that the day-to-day business of the Council such as contractual and statutory payments be included in this. There was however a strong view that all councillors, not just those on the appropriate committee, should have the opportunity to be consulted on significant "new" expenditure of £10,000 or more before a final decision on the expenditure was made and that a clause should be added to the Council's decision making process to this effect.
- 15.1.3 It was thought that the best way to introduce this was for all Members to be consulted prior to a Committee considering a recommendation to approve expenditure on a new initiative, project, or event over £10,000. Any comments from Members would be reported to the Committee. This excluded all other ongoing, contractual, or urgent expenditure that might be required. It was also thought appropriate for a process to be introduced whereby an item of this type could be referred to Council. Consideration was given to how this could be managed, and it was agreed that the best option would be for a minimum of five Councillors to notify the Town Clerk of their desire to see this item referred to Council. The Town Clerk would then withdraw the item from

the Committee agenda and call an Extraordinary meeting of Council to decide the matter. It would require five Members to seek the referral, and they should comprise of at least two of the political groups on the Council. This would need regular review as the political balance changed. Those Members not part of a political group would count as one of the five, but not as a political group in themselves. It was therefore **Resolved** that:

Authority be delegated to the Town Clerk in consultation with the Deputy Town Clerk to draft the necessary amendments to the Town Council's decision-making process and that the amendments be circulated to the Members of the Committee for comment and recommendation to Full Council for approval.

15.2. Annual Council – Committee Membership

The Committee received a report (previously circulated) which contained proposals for the appointment of Committee Membership at the forthcoming Annual Council meeting in May. The political breakdown of the Council had significantly altered in the last year and the allocation of Committee seats required adjustment to reflect this. The Town Clerk provided clarification regarding the appointment of substitutions and how this would apply to the Chair and Vice-Chair roles on the Committees. It was noted that the Chairs and Vice-Chairs of the Committees should be drawn from different political parties. It was therefore **Resolved** that:

Subject to the addition of clarification regarding the appointment of Chairs and Vice-Chairs being from different political parties, the proposals as set out in paragraph 3.6 of the report be RECOMMENDED to Full Council for approval for the remainder of this Council (May 2023) or until one party has a majority, whichever is soonest.

15.3. External Auditor Certificate and Report 2019 to 2020

The Committee received the External Auditor Certificate and Report (previously circulated). The Deputy Town Clerk was pleased to report that for the second year running there were no findings. It was **Resolved** that:

The External Auditor certificate and report for the 2019 to 2020 accounts be noted.

15.4. Internal Audit Report 2020 to 2021

The Committee received the Internal Audit Report (previously circulated). This was the first of two visits for the current financial year and contained two

recommendations relating to VAT and IT backup provision. The Internal Auditor had recommended that the Town Council seek specialist advice on the application of the VAT rules in respect of the proposed new community facilities. This had been noted and would be taken forward at the appropriate time. Regarding the Council's IT backup arrangements, the Auditor had noted that the Pandemic had prevented a formal test. He had also observed that the current working arrangements implemented due to the Pandemic had demonstrated that the Town Council had effective contingency arrangements in place. It was **Resolved** that:

The Internal Auditor report for the 2020 to 2021 accounts and the action to implement the Internal Auditor's recommendations be noted.

15.5. Annual Governance Review

The Committee received a report (previously circulated) which set out the outcome of the annual review of the Town Council's Standing Orders and Financial Regulations. It was noted that a new model Code of Conduct from the Local Government Association was being considered for adoption at the District Council. The Town Council's current arrangements were viewed as robust and it was judged prudent to await the outcome of the District Council's review before considering whether further changes were required. It was therefore **Resolved** that:

- 1. The outcome of the Annual Governance Review be noted and that no changes were required to the Town Council's Standing Orders, Financial Regulations and Code of Conduct at this time.**
- 2. The update on the new model Code of Conduct be noted.**

15.6. Anti-Bribery, Fraud and Corruption Policies Review

The Committee received a report (previously circulated) which set out a revised Anti-Bribery, Fraud and Corruption Policy for consideration and endorsement. These three policies had been combined to avoid duplication and it was also proposed that responsibility for them rest with both Governance and Audit and Property and Personnel because they were relevant to both staff and Councillors. This review had also highlighted that responsibility for the Whistleblowing Policy and the Gifts and Hospitality Policy required a similar change. It was therefore **Resolved** that:

- 1. The Anti-Bribery, Fraud and Corruption Policy and Procedure be endorsed and RECOMMENDED to Full Council for approval.**
- 2. The changes to responsibility relating to the Anti-Bribery, Fraud and Corruption Policy, the Whistleblowing Policy and the Gifts and Hospitality be noted.**

15.7. Annual Review of Internal Controls

The Committee received a report (previously circulated) which set out a list of the Town Council's Internal Controls following the annual review. The Deputy Town Clerk explained the changes that had been made to the procedure for authorising payments following the move to electronic banking. Referring to the earlier discussion of the Notices of Motion, it was also noted that a control had been introduced requiring the inclusion of financial implications in recommendations and resolutions. It was therefore **Resolved** that:

- 1. The Council's updated System of Internal Controls be approved.**
- 2. Council be RECOMMENDED that statements 2, 5, 6 and 7 of the Annual Governance Statement had been complied with.**

15.8. Annual Review of Corporate Risk Register

The Committee received a report (previously circulated) which set out the Town Council's Corporate Risk Management Strategy and Procedures. It was noted that ordinarily this would include a register for the Council's Priorities and the Council's Policies, Aims and Objectives. These were due to be reviewed during the March 2021 Committee Cycle and would therefore be reassessed using the risk management process and brought to the Committee in July. The Deputy Town Clerk explained that the response to the pandemic had overtaken work on developing formal business continuity plans. However, the lessons learnt from this period would be used to inform the development of business continuity arrangements which would be reviewed by this Committee in due course. It was therefore **Resolved** that:

- 1. The Council's Corporate Risk Management Strategy and Procedure be approved and be RECOMMENDED to Council for approval.**
- 2. The updated Risk Register be RECOMMENDED to Council for approval.**

15.9. Standards Sub-Committee

The Committee received and noted the non-exempt and exempt Minutes of the Standards Sub-Committee (previously circulated) meeting held on 9th September 2020. It was noted that the recommendations had yet to be implemented and were back with the Monitoring Officer. It was **Resolved** that:

The update be noted.

15.10. Complaints and Compliments Review 2020

The Committee had before it (previously circulated) the annual review of Complaints and Compliments. There had been a reduction in feedback due to the exceptional circumstances generated by the pandemic. However, Members were pleased to note the positive comments and thanks for support particularly from the hirers at Southfields. Observing that not everyone had access to the internet it was also suggested that the Town Council's notice boards be checked to ensure that the up-to-date support and guidance information was displayed. The Deputy Town Clerk confirmed that she would take this forward. It was therefore **Resolved** that:

The report be noted.

16. Exempt Business

There was none.

The meeting closed at 7:37pm.

CHAIR