

Minutes of a Meeting of the Governance and Audit Committee held in The New Millennium Chamber, The Manor House, Church Street, Littlehampton BN17 5EW on Monday 8 July 2025 at 6.30 pm.

Present:

Councillor Woodman – Chair
Councillor Tilbrook
Councillor May
Councillor Daws
Councillor Tandy

In attendance:

Jon Short – Deputy Town Clerk and Responsible Financial Officer
Juliet Harris – Assistant Town Clerk

2025 to 2026

1. Evacuation Procedures

The evacuation procedures were noted.

2. Filming of Council Meetings, Use of Social Media, and Mobile Phones.

The procedures were noted.

3. Apologies

There were apologies from Councillor Lee, Councillor Tandy attended as a substitute.

4. Declaration 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 Councillor Tandy declared a personal interest across the agenda as member of Arun District Council.

5. Minutes

The minutes of the meeting held on 4 February 2025 were confirmed as a true record and signed by the Chair.

6. Chair's Report and Urgent Items

There were none.

7. Public Forum

There were no members of the public present and no written representations.

8. Officer's Reports

8.1. Internal Audit Report 2024 to 2025

8.1.1. The committee received a report, previously circulated, which set out the Final Internal Audit for the Town Council for the financial year 2024 to 2025. Members proceeded to review the auditor's recommendations in more detail and the Responsible Financial Officer (RFO) provided clarification on the following points. Regarding the VAT registration for the K2 Youth and Community Centre he confirmed that this had been completed and independent specialist advice regarding the MUGA payment had confirmed that no further action was required. Concerning the other points raised by the auditor in connection with the building, the RFO confirmed that the Town Council received a copy of the building's insurance from the freeholder.

8.1.2. He reported that the transfer to the new accounting system was taking longer than anticipated and consequently the review of the financial regulations, using the latest NALC model, would be outsourced and concluded by the end of the year. It was also noted that following completion of the year end, all balances would be finalised and the opening balances transferred to the new system. Provision was also being made to ensure that access to the previous six years financial reports was maintained in accordance with the retention requirements. These actions would address the auditor's recommendations regarding implementing the new system. Live reporting was a key component of the new system which would also enable better budget management in the future and the consolidation of some of the earmarked reserves balances as recommended by the auditor. It was also noted that the levels of earmarked reserves were reviewed by the individual committees as part of the budget setting process.

8.1.3. Regarding the imbalance on the VAT control account, the RFO confirmed that the variance in the claim for quarter four was £10,360 against a claim of £10,760 and that the difference of £419 was being investigated. It was also noted that the other matters raised by the auditor in connection with the verification of the of the CCLA property fund investment by councillor

signature and reporting the councillor sign off of the bank reconciliation to the Policy and Finance committee had been implemented.

8.1.4. Turning to the longer-term debt of £13,000, it was noted that only where all reasonable debt recovery procedures had been followed would a decision be made regarding formally writing off the debt. The auditor had recommended that the ability to recover it should be reassessed against the Town Councils Debt Recovery Policy. The RFO explained that in view of its age, the procedure would entail making a provision for the full value of the debt in the accounts. He confirmed that this was not writing off the debt completely and would enable collection activities to continue until the status of the debt was confirmed.

8.1.5. The Committee discussed the available options for recovering the debt, taking into account the sensitivities and complex history of the case. Given the length of time the debt had been outstanding, it was deemed prudent to crystallise the Town Council's position. However, the status of the debt remained uncertain, and it was considered sensible that collection efforts should continue in line with the Town Council's Debt Recovery Policy. It was noted that the Policy and Finance Committee would monitor the situation and consider any recommendations regarding the management of the debt.

It was therefore resolved that:

1. The Internal Auditor Final report for the 2024 to 2025 accounts be noted and that the actions to implement the Auditor's recommendations and updates as set out in minutes 8.1.1. to 8.1.5. above also be noted.

8.2. Business Plan Progress Report

8.2.1. Members received and noted a report, previously circulated, which set out progress to primary areas of work on the committee's work plan for the 2025 to 2026. These related to the ongoing policy review work and the reviews of the Town Council's Financial Regulations and Standing Orders. As reported earlier in the meeting, the review of the Financial Regulations, using the latest NALC model, would be outsourced and concluded by the end of the year and it was envisaged that the review of the Standing Orders would be undertaken alongside this and include the schemes of delegation.

It was resolved that:

1. The Action Plan be updated with the revised timeframe for the completion of the reviews of the Town Council's Financial Regulations and Standing Orders.
2. The contents of the report be otherwise noted.

9. Exempt Business

There was none.

The meeting closed at 7.03pm.

Chair