

**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 Tuesday 4 February 2025 at 6.30 pm.**

**Present:**

Councillor Woodman – Chair

Councillor Tilbrook

Councillor Lee

Councillor May

**In attendance:**

Laura Chrysostomou - Town Clerk

Juliet Harris - Assistant Town Clerk

**2024 to 2025**

**19. Evacuation Procedures**

The evacuation procedures were noted.

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

The procedures were noted.

**21. Apologies**

There were apologies from Councillor Northeast.

**22. Declarations of interest**

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

**23. Minutes**

The Minutes of the meeting held on 18 September 2024 were confirmed as a true record and signed by the Chair.

**24. Chair's Report and Urgent Items**

There were none.

## **25. Public Forum**

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

## **26. Officers Reports**

### **26.1. External Auditor certificate and report 2023 to 2024**

Members received a report, previously circulated, which contained the External Auditor Certificate and report for the Town Council's 2023 to 2024 accounts.

#### **It was resolved that:**

The External Auditor Certificate and report for the 2023 to 2024 accounts be noted.

### **26.2. Internal Audit Report 2024 to 2025**

26.2.1. Members had before them a report, previously circulated, regarding the Internal Audit for the Town Council for the accounting period 2024 to 2025. The Committee proceeded to review the report in more detail and the Town Clerk provided clarification regarding the process adopted by the Council for reclaiming VAT and it was noted that for the purposes of budgeting, expenditure budgets excluded VAT. Regarding the VAT accounting in respect of the transaction with Arun District Council (ADC) for the Multi Use Games Area (MUGA) at K2, the Town Clerk confirmed that the transaction had been checked, VAT paid once by the Town Council and that ADC had reimbursed the full construction cost to the Town Council. Regarding the matter of the power under which this transaction was made, the initial advice received had been limited and further specialist advice was now being sought.

26.2.2. Observing the actions highlighted by the auditor in respect of the insurance arrangements for K2, it was noted that responsibility for insuring the building rested with ADC as the freeholder of the land. The Town Clerk confirmed that the Town Council had and would continue to receive confirmation of the insurance arrangements from them. Public liability insurance would come under the Town Council's insurance. In terms of using the building, hirers would be bound by the Town Council's terms and conditions of use for its community centres which required them to obtain the permissions needed for their activities. It was also noted that as leasehold premises, the building would not be stated on the Town Council's asset register.

26.2.3. The internal auditor's recommendation regarding the treatment of older debts had been noted. The current figures included a longer-term debt of £13,000 which was being re-assessed. It was noted that this had a complex history and would need to be managed sensitively.

#### **It was resolved that:**

The Internal Auditor report for the 2024 to 2025 accounts and progress on implementing the recommendations be noted.



### **26.3. Internal Auditor Appointment**

26.3.1. The Committee received a report, previously circulated, which recommended that Mulberry Local Authority Services be appointed as Internal Auditor when the current contract ended. This followed a tender exercise that had been conducted in accordance with the Internal Audit Provision Procedures and the Town Council's Procurement Policy. This had highlighted the limited availability of auditors with experience in this field and that whilst Mulberry had fulfilled this role for the Town Council in the past, this was several years ago. The Committee was therefore content that they be appointed for a period of three years with the option to extend for a further two years.

#### **It was therefore resolved that:**

Mulberry Local Authority Services be appointed as the Town Council's Internal Auditor for a period of three years for the financial period 2025 to 2026 to 2027 to 2028, with the option to extend for a further two years.

### **26.4. Annual Review of Internal Controls**

26.4.1. Members received a report, previously circulated, which set out the Town Council's Internal Controls for consideration and approval. Following a review by Officers, the current controls were considered effective with a slight change proposed regarding the frequency of banking cash. In this respect the Controls had been updated to fortnightly rather than weekly due to a reduction in cash taken. Members were content that the controls were robust and considered the update sensible.

#### **It was therefore resolved that:**

- 1) The Council's updated Internal Control System be noted.
- 2) Council be recommended that it is in compliance with statements 2,5,6 and 7 of the Annual Governance Statement.

### **26.5. Annual Review of Corporate Risk Registers**

26.5.1. Members had before them a report, previously circulated, which set out the Town Council's Corporate Risk Management Strategy and Procedures, for review together with the Council's Corporate Risk Register. Alongside this, the Town Clerk, Deputy Town Clerk and Service Managers had also undertaken the annual risk review of the Council's Business Plan. Whilst no changes were proposed to the Corporate Risk Management Strategy and Procedures, the Committee was asked to review both risk registers and recommend that they be approved by Full Council.

26.5.2. The Committee proceeded to review both risk registers and the Town Clerk provided clarification on the following points. Regarding the risk to the

Museum Collection from natural disasters, it was noted that this was mitigated by arrangements that were in place with experts who specialised in the salvage of museum artefacts. Concerning the evaluation of risk in respect of public buildings and the adequacy of budget provision, it was noted that the high level of risk was significantly reduced by the thorough assessment of services and facilities that was undertaken as part of the budget setting process.

26.5.3. Turning to the employment of staff section of the Corporate risk register, it was suggested that the likelihood risk rating for staff retention, based on staff changes in the past year, should be higher. The Town Clerk explained that retention rates needed to be viewed across the organisation along with tenure. The recent staff changes had demonstrated the flexibility within the structure to adapt, highlighting both the benefits of having a mix of longer standing and new staff and assessing the actual number of leavers and starters, confirmed that the controls in place justified the low likelihood of risk.

**It was resolved that:**

- 1) The Council's Corporate Risk Management Procedures be noted.
- 2) The Corporate and Business Plan Risk Registers be endorsed and recommended to Full Council.
- 3) The contents of the report be otherwise be noted.

**26.6. Annual Review of Feedback**

26.6.1. The Committee received and noted a report, previously circulated, which contained the Register of Compliments and Complaints for 2024. Regarding the comment relating to the lack of handrails at the Manor House, it was noted that whilst no further action had been taken this decision would have been assessed at the time.

**It was resolved that:**

The contents of the report be noted.

**26.7. Policy Review and Committee Work Plan 2025 to 2026**

26.7.1. Members received and noted a report, previously circulated, which set out progress with the Policy Review, a revised review timetable and a Work Plan setting out the primary areas of work for the Committee for the 2025 to 2026 meeting cycle.

**It was resolved that:**

- 1) The update regarding the Governance Review be noted.
- 2) The updated Policy Review Task and Finish Group Work Programme, Appendix 1, be approved and that the Business Plan Action Plan be updated accordingly.
- 3) The Committee Work Plan for 2025 to 2026, Appendix 2 be approved.
- 4) The contents of the report be otherwise noted.

**27. Exempt Business**

There was none.

The meeting was closed at 7.08 pm.

---

**Chair**