



brought forward from the July meeting and clarification was provided that this would be taken to the meeting on 22 March 2017.

31.3 It was subsequently

**RESOLVED** That the following updates be made to the Audit Committee Work Programme:

- Tree Inspection Follow-Up Audit to be added to 22 March 2017;
- Bulky Waste Follow-Up Audit to be added to July 2017;
- External Auditors' Audit Findings to be brought forward from September 2017 to July 2017; and
- Critical Judgements and Assumptions Made During the Preparation of the Statement of Accounts to be brought forward from July 2017 to 22 March 2017.

### **AUD.32 GRANT THORNTON PROGRESS REPORT**

32.1 Attention was drawn to Grant Thornton's progress report, circulated at Pages No. 19-34, which set out the progress that had been made in relation to the Audit Plan, together with any emerging national issues and developments that might be relevant to the Borough Council. Members were asked to consider the report.

32.2 Members were informed that this was the first progress report of the 2016/17 cycle. Page No. 22 of the report set out the residual 2015/16 work and it was noted that the Annual Audit Letter would be presented to the Committee later in the meeting. A report outlining the work undertaken and the findings from the certification of Housing Benefits would be brought to the Audit Committee in March 2017. Members were advised that three errors had been identified during the audit which had required testing to be undertaken and had resulted in a potential reduction of £1,000 in the subsidy for the year; however, this was a reasonable outcome given that the total value was in the region of £18M.

32.3 The fee letter for 2016/17 had been issued in April 2016 and the fee had stayed the same as the current cycle. The Accounts Audit Plan would be presented to the Committee in March 2017 and it was hoped that an interim accounts audit would be carried out in late February/early March – as close to year end as possible taking into account the commitments of the Finance team. As mentioned under the previous Agenda item, the final accounts audit would be in July 2017, two months earlier than usual, as this would allow the Council to identify any issues ahead of the change in statutory deadline in 2018. Work on the value for money conclusion would also begin earlier in terms of research and discussion with management. The housing benefit grant claim would be brought forward to August facilitated by the early closure of the final accounts audit.

32.4 Page No. 25 of the report informed Members of changes to the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and it was noted that the main change related to IAS 1: Presentation of Financial Statements under the International Accounting Standards Board Disclosure Initiative which required the restatement of the previous years' figures. A selection of National Audit Office reports which may be of interest were included at Pages No. 26-28 and a number of publications currently being promoted by Grant Thornton were set out at Page

No. 30 onwards. Particular attention was drawn to the article on integrated reporting which focused on how assets and resources were used – whilst this was not currently a statutory requirement, it was something being considered going

forward – and the update on Brexit and its potential impact on the public sector.

32.5 With regard to the changes to the Code of Practice, a Member questioned whether there would be any issues with comparisons over time. The Audit Manager from Grant Thornton indicated that he had not been able to look into this in detail; however, he confirmed that it was a restatement for accounting purposes rather than a readjustment of the previous years' figures. Whether the Council provided further details to allow comparison over time was a decision for Officers. The Head of Finance and Asset Management explained that the Council was only required to produce the previous years' figures and the ability to provide more would be hampered by the resources available and shorter timescales which the government was implementing in terms of the closure of the accounts. Nevertheless, he provided assurance that the Council would comply with the requirements.

32.6 It was

**RESOLVED** That Grant Thornton's Progress Report be **NOTED**.

### **AUD.33 ANNUAL AUDIT LETTER 2015/16**

33.1 Attention was drawn to Grant Thornton's Annual Audit Letter 2015/16, circulated at Pages No. 35-47, which summarised the key findings from the work that had been carried out at Tewkesbury Borough Council for the year ended 31 March 2016. Members were asked to consider the Annual Audit Letter 2015/16.

33.2 The Audit Manager from Grant Thornton explained that the findings arising from the audit of the Council's financial statements had been reported to the Audit Committee meeting on 21 September 2016 and an unqualified opinion had subsequently been issued. Grant Thornton had established a positive and constructive relationship with the Finance team and senior management which it was hoped would continue going forward. The risks which had been reviewed as part of the process were set out at Pages No. 40-41 and Page No. 42 confirmed the unqualified opinion on the accounts which had been submitted in advance of the national deadline of 30 September. It was noted that two issues, regarding receipts in advance and suspense journals, had been identified as a result of interim work in February/March 2016 and both matters had already been addressed by the Finance team. In terms of the value for money conclusion, Grant Thornton had been satisfied in all respects that the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2016. One key value for money risk had been identified and was referenced at Page No. 44. Members were informed that this was likely to continue to be a risk in 2016/17 given the pressure on local government finances and other local pressures. Page No. 45 of the report outlined the areas which Grant Thornton had worked on with the Council during the year and what was intended for 2016/17 – it was noted that the main focus would be the early closure of the accounts. The audit fees for the work carried out were set out at Appendix A to the report along with the dates when Grant Thornton's reports had been issued.

33.3 In response to a query regarding the 2% increase in Council Tax, referenced within the information regarding the value for money risk which had been identified, the Audit Manager from Grant Thornton explained that this was a suggested increase included within the Medium Term Financial Strategy proposals to help cover the

shortfall in the budget. This was not set in stone but was one of the options which could be considered to alleviate financial pressure. The Member raised concern that the tense of the report was confusing as it implied Council Tax was yet to be raised for 2016/17 and confirmation was provided that the wording reflected the arrangements in place as at 2015/16.

33.4 A Member requested further clarification regarding the external auditors' involvement in the housing benefit certification and he was informed that Grant Thornton's role was to ensure that the subsidy claim had been properly calculated. There were various intricacies which could influence how much benefit a person received and Grant Thornton tested a sample of the Council's calculations to ensure that they had been done correctly e.g. checking single claimants etc. Grant Thornton acted as a safety net for the Department for Work and Pensions to give assurance that the processes used by local authorities to calculate vast sums of money were appropriate and accurate.

33.5 It was

**RESOLVED** That the Annual Audit Letter 2015/16 be **NOTED**.

#### **AUD.34 APPOINTMENT OF EXTERNAL AUDITOR**

34.1 The report of the Head of Finance and Asset Management, circulated at Pages No. 48- 53, set out a proposal for the appointment of the Council's external auditors from 2018/19. Members were asked to recommend to Council the option to opt-in to the Public Sector Audit Appointments Ltd (PSAA) as the Sector Led Body for the appointment of the Council's external auditors from 2018/19.

34.2 The Head of Finance and Asset Management explained that the appointment of the Council's current auditor, Grant Thornton UK LLP, had been made under a contract led by the Audit Commission which had been closed under the Local Audit and Accountability Act 2014. The transitional arrangements for local government bodies had been extended by one year to include the audit of the accounts for 2017/18 and, when those arrangements came to an end on 31 March 2018, the Council would be able to move to local appointment of the auditor. There were three broad options open to the Council: to set-up an auditor panel to oversee the process for making a stand-alone appointment; to join with other local authorities to establish a joint auditor panel and make a joint appointment; or to opt-in to a Sector Led Body which would have the ability to negotiate contracts with firms nationally. Public Sector Audit Appointments, the transitional body set up by the Local Government Association to manage the current contract, had been approved as the Sector Led Body for the independent appointment of auditors for principal authorities in England from 2018/19 and 270 Councils and local bodies had expressed their interest in a national scheme. Officers believed that this would be the most cost effective and efficient route and the Audit Committee was asked to recommend to Council that Tewkesbury Borough Council opt-in to the Sector Led Body arrangement and give formal notification before the March 2017 deadline.

34.3 In response to a Member query, clarification was provided that a report would be taken to the Council meeting on 24 January 2017 and, if the recommended option was approved, regular updates would be brought to the Audit Committee throughout the year. A Member questioned whether there would be implications in

terms of staff workload and the Head of Finance and Asset Management confirmed that the recommended option would be the least resource intensive for staff and would secure the best value for money via economies of scale. Having considered the information provided, it was

**RESOLVED** That it be **RECOMMENDED TO COUNCIL** that it opt-in to the Public Sector Audit Appointments Ltd. as the Sector Led Body for the appointment of the Council's external auditors from 2018/19.

### **AUD.35 INTERNAL AUDIT PLAN MONITORING REPORT**

- 35.1 The report of the Head of Corporate Services, circulated at Pages No. 54-81, was the second monitoring report of the financial year and summarised the work undertaken by the Internal Audit team during the period September to November 2016. Members were asked to consider the audit work completed and the assurance given on the adequacy of internal controls operating in the systems audited.
- 35.2 Members were advised that full details of the work undertaken in the period was attached at Appendix 1 to the report and a list of audits within the 2016/17 Audit Plan and their progress to date could be found at Appendix 2 to the report. The majority of audit opinions had been positive with the exception of the audit relating to the Ubico monitoring arrangements which had a combination of 'limited' and 'unsatisfactory' opinions. It was noted that there had been some slippage in the delivery of the Audit Plan due to sickness absence and an agreement was in place with the Finance team to use one of its Officers to undertake audits in order to help get the plan back on track for the New Year. Confirmation was provided that there had been no incidents of fraud, corruption, theft or whistleblowing during the period. The partnership arrangement with Tewkesbury Town Council was on a one year rolling programme and the Internal Audit team was happy to continue this arrangement unless the Town Council wished to terminate the agreement.
- 35.3 Attention was drawn to the audit on the Health and Safety Self-Assessment 2016/17, set out at Page No. 57 of the report. The Health and Safety Executive self-assessment checklist had been adopted by the Environmental Safety Officer and two of the statements within the checklist had been reassessed as 'partially met' so it would be necessary to establish additional procedures for reporting within the staff safety register and for lone working. Reviews in relation to both lone working and health and safety reporting arrangements were included within the action plan which was monitored by the 'Keep Safe, Stay Healthy' Group. It was noted that an annual health and safety report was brought to the Audit Committee for consideration.
- 35.4 Pages No. 58-61 set out the findings of the audit of Ubico client monitoring 2016/17. The Head of Corporate Services clarified that this was an audit of the way the Council was set-up to monitor the Ubico contract and to demonstrate that it was being delivered in line with the requirements. Whilst the overall conclusion was adverse, he emphasised that Ubico carried out in excess of three million bin collections per year on behalf of Tewkesbury Borough. In terms of the financial information received, Internal Audit did not consider this to be detailed enough for robust scrutiny and challenge. This view was shared by the Finance team which had flagged this to Ubico on numerous occasions. There was a fragmented approach to the monitoring of the contract across the organisation, for example, waste and recycling was monitored by the Joint Waste team, responsibility for grounds maintenance lay with the Licensing team and trade waste was split across the Environmental Health and Joint Waste teams with the administration carried out by Ubico. It was noted that there was no responsible officer for vehicle and fleet maintenance. In addition, there were elements of the contract with limited

performance measures in place, for instance, the Overview and Scrutiny Committee had picked up that there was no performance management information for grounds maintenance and this was currently in the process of being developed, similarly, there was no evidence that maintenance of the vehicle fleet was being monitored or reported and the information currently received in respect of street cleansing was insufficient for measuring service delivery. Whilst there were stronger governance arrangements in respect of waste and recycling, only three of the six performance indicators were currently being reported leaving gaps in respect of stock control, bring sites and emergency planning. It was therefore recommended that a review of the performance indicators within the contract be carried out and, where it was not appropriate to introduce a performance indicator, formal agenda items be included for discussion by the Client Monitoring Group to ensure those elements of the contract were being monitored.

- 35.5 A review of the housing benefit payment system had provided assurance that information was correctly recorded and payments accurately made. It was noted that this was an inherently risky system given the number of transactions taking place but the audit opinion had supported the findings of Grant Thornton's housing benefit subsidy claim. In terms of the lone working audit, Members were advised that the Environmental Safety Officer had done a lot of work around the arrangements and an action plan had been drawn up to address the gaps which had been identified in terms of out of hours monitoring; assurance was provided that high risk service areas were covered and delivery of the action plan was monitored by the 'Keep Safe, Stay Healthy' Group. In terms of the National Non-Domestic Rates (NNDR) audit, it was established that the return had been completed and submitted within the given timeframe; the overall new rates payable figure, and other supporting values, had been adequately reported on the return; and testing of individual relief awards confirmed they had been accurately calculated and supported with documentary evidence. It was acknowledged that the Discretionary Relief Policy required mini-reviews to be completed annually to consider whether the relief remained appropriate; however, there was no evidence that this had been completed since the introduction of the policy in 2014. The Head of Revenues and Benefits had indicated that the current process was too time consuming and it was therefore recommended that the Discretionary Relief Policy be reviewed.
- 35.6 Page No. 66 set out the outcomes of the complaints audit which had been given a 'limited' opinion in September 2015. A project team had subsequently been assembled and a new complaints framework agreed in April 2016. The audit had given assurance that the new framework was working well. With regard to the corporate improvement work which had been carried out, Members were advised that a template of current and expected performance indicators had been produced as part of the Ubico contract monitoring audit. In addition, consultancy advice had been provided in relation to the update of the Council's Safeguarding Policy being carried out by Environmental and Housing Services to enable to completion of the safeguarding self-assessment.
- 35.7 A Member indicated that his main concern was Ubico and he questioned when it was next due to be reviewed. The Head of Corporate Services advised that senior management were notified of any 'limited' or 'satisfactory' audit opinion so the Chief Executive was aware of the concerns. Whilst it would certainly be necessary to look at the client monitoring arrangements, Members were reminded that Ubico was a relatively new company and lessons were being learnt from how the contract was currently being monitored. The Interim Head of Community Services explained that a lot of issues were inherited in terms of how the contract had been set-up and the agreement put in place at the time. Many of the matters highlighted by the audit were already known to Officers and being identified in the course of performance management meetings and those held with the Joint Waste team. Financial information and performance management had been covered at the last

Environmental Services Partnership Board meeting and a dialogue opened up with Ubico at a contract monitoring meeting. Unfortunately this was not something which could be fixed quickly but assurance was provided that Officers were working to address the concerns.

- 35.8 A Member drew attention to Page No. 58 of the report which suggested that performance monitoring was taking place but not in accordance with the contract which she did not feel was good enough for customers. When Tewkesbury Borough Council had agreed to join the company, it was one of only three partners compared to seven currently and she understood that this number was likely to increase further. She questioned whether expansion was happening too rapidly and whether Ubico could be expected to fulfil the original contracts within its current structure. There had been a high customer satisfaction rate for waste and recycling and street cleansing when these services had been provided by the Borough Council and it was disappointing that these were now the areas which Councillors received the most complaints about. She also indicated that she found it difficult to keep track of the various board and group meetings and where information was being reported.
- 35.9 The Head of Corporate Services reiterated that the number of complaints regarding the services carried out by Ubico was actually quite low considering the number of transactions. It was to be borne in mind that there was a difference between formal complaints and service failures, such as missed bin collections, grass needing to be cut, dog fouling etc. which were reported via the 'Report It' system - the most effective way to get this information to the contractor; formal complaints were monitored by the Overview and Scrutiny Committee on a six monthly basis. A Member indicated that his own experience of Ubico within his Ward was generally positive and it was the responsibility of Borough and Parish Councillors to report any concerns they had within particular Parishes. Another Member expressed the view that missed bin collections may seem to be a minor issue to Officers but it was not to the people involved, particularly if it was a persistent problem.
- 35.10 In response to concerns regarding the cost of the Ubico contract, the Head of Finance and Asset Management advised that, in February 2016, the Council had decided to continue delivering the waste and recycling service in its current form following a complete Waste Service Review and options appraisal i.e. a fortnightly co-mingled recycling service, alternating with a fortnightly residual waste collection with separate weekly food waste collections. It had also been agreed that the Council would invest £3.25M from capital resources into a vehicle replacement programme which would be delivered for operation in April 2017. In terms of the report before Members today, he could only comment on the financial information provided by Ubico which was minimal and not particularly timely. He had raised this with the other Chief Finance Officers of local authorities with Ubico contracts who were experiencing similar problems. At this point he was unable to give Members, and the public, assurance of the adequacy of the budget and whether value for money was being achieved. The Borough Solicitor went on to explain that the Overview and Scrutiny Committee was looking at the service provided by Ubico and the complaints received to come up with a way forward. This audit related to governance and had highlighted that the Council did not currently have the necessary resources in place in order to adequately monitor the contract. She stressed that the service specification was set by the Council and the contract in place was that which had been agreed when it had joined Ubico. Whilst there were issues, they were not all the fault of Ubico and the new Deputy Chief Executive and Head of Service would be tasked with addressing this as a matter of urgency. A Member questioned when the contract could be amended and the Borough Solicitor indicated that she did not have this information to hand, however, it was normal practice for a contract to include a review after three to five years - it

was noted that the Council was currently in the second year of the Ubico contract.

- 35.11 A Member noted from Appendix 3 that a number of audit recommendations were outstanding and most of the expected implementation dates had passed. The Head of Corporate Services advised that, unfortunately, these recommendations had not been followed up due to sickness absence within the Internal Audit team but they would be targeted in the New Year and updates would be provided at the next meeting. In response to a query, the Head of Corporate Services advised that the dates included within the Appendix were those which Managers had agreed the recommendations would be implemented by; he clarified that the report was saying that the recommendations had not been followed up by the Audit team, not that they had not been implemented.
- 35.12 Having considered the information provided, and views expressed, it was  
**RESOLVED** That the Internal Audit Plan Monitoring Report be **NOTED**.

### **AUD.36 TRADE WASTE AUDIT PROGRESS REPORT**

- 36.1 The report of the Interim Head of Community Services, circulated at Pages No. 82-89, provided an update in relation to the recommendations arising from the trade waste audit. Members were asked to consider the progress that had been made.
- 36.2 The Interim Head of Community Services advised that the findings of the trade waste audit had been presented to the Audit Committee at its meeting in June 2016. The audit had identified a number of recommendations which were being used to help drive forward service improvements and Officers were working with Ubico and the Joint Waste team to deliver those changes. Appendix 1 to the report set out the progress that had been made to date.
- 36.3 In response to a query regarding recommendation 1, 'Financial: delivery of service is not commercially viable', the Head of Finance and Asset Management advised that there was currently no assurance that the trade waste service was operating to its commercial optimum and it was necessary to undertake a review to check whether the service was operating effectively and bringing in the income expected. It was noted that the review would be carried out by a consultant and a report would be presented in April 2017. A Member asked who would be receiving that report and was informed that it would go to the Head of Community Services. Clarification was provided that the review had not yet commenced and was currently going through the approval process with the partner authorities listed in the update. The project would be carried out by the Association for Public Service Excellence (APSE) and would be a continuation of the work which had already been done in respect of commercialisation. The overall cost of the work would be approximately £10,000 shared between each of the partner organisations, however, there was no budget for the work and that was something which would need to be considered going forward.
- 36.4 A Member noted that a request had been made to Ubico for detailed budgets for 2017/18 and he queried whether the Council was moving to a full commercially viable charging system. The Head of Finance and Asset Management explained that this related to his earlier point about the lack of detail in the financial information provided by Ubico. It was necessary to fully assess the cost of delivering the trade waste service to get an idea as to what price to set; there was a question mark around the definition of the service i.e. was it a commercial waste

service or a wider recycling service. There were other operators in the market so it needed to be a balanced fee rather than a straight accounting figure. The Member



felt that it would be interesting to see what this would mean financially.

36.5 A Member questioned why Tewkesbury Borough Council, Cheltenham Borough Council and West Oxfordshire District Council were the only three authorities paying for the review. She also raised concern as to why more money was being put into the vehicle fleet when it may be that it was not commercially viable to offer a trade waste service. Members were advised that it was in the Ubico business plan to carry out a review for Tewkesbury Borough Council, as per a request made last year, and it was felt that it would be beneficial to review the other two local authorities that had joined Ubico at the same time. This would make it cheaper but did not mean that those trade waste collections would be consolidated. The Council was legally required to offer a trade waste collection but part of the review would be to establish whether Ubico could be the sole supplier. Members were informed that the vehicle being purchased would not be purely for trade waste collection; as well as building resilience into the fleet, there were likely to be other local authorities that would want to hire the vehicle so it would have other uses.

36.6 It was

**RESOLVED** That the progress made against the recommendations arising from the trade waste collection service be **NOTED**.

### **AUD.37 COUNTER FRAUD UNIT BUSINESS CASE**

37.1 The report of the Head of Finance and Asset Management, circulated at Pages No. 90-129, asked Members to consider the activity undertaken by the Counter Fraud Unit to date and to recommend to Council the approval of option three of the business case, to establish a permanent Counter Fraud Unit, subject to similar approval being made at all partner authorities; should all necessary approvals not be forthcoming, option two would be the Council's default position.

37.2 Members were reminded that, in 2013/14, the government had announced that local responsibility for the investigation of benefit fraud was to be transferred to the Department of Work and Pensions and a Gloucestershire-wide Counter Fraud Unit had subsequently been established following a successful DCLG bid. The Counter Fraud Unit had been undertaking feasibility work on behalf of a number of Gloucestershire authorities, West Oxfordshire District Council and Cheltenham Borough Homes. The work had been undertaken as a pilot and a business case had now been drafted with a view to creating a permanent Counter Fraud Unit which would serve the partner organisations across the region. The work undertaken for all authorities within Gloucestershire, and West Oxfordshire, was summarised at Appendix A to the report. Particular attention was drawn to Page No. 95 which related specifically to Tewkesbury Borough Council where work had been carried out in respect of Council Tax, housing register applications, business rates and fly-tipping. In addition, a number of policies which had recently been approved by the Executive Committee had been prepared by Officers from the Counter Fraud Unit. The arrangements to date had been well-received and a decision was now required by all partners regarding full membership with effect from 1 April 2017. The business case for the permanent establishment of the Counter Fraud Unit was attached at Appendix B to the report and outlined three potential options: carry on as is; partial formation of a countywide unit; or full formation of a countywide unit. Given the performance to date and the potential for future counter fraud work to be undertaken, it was Officers' view that the Council should support the option to form a unit comprising all authorities. Whilst there would be an increased cost over the base budget, this would effectively be covered by the increased ongoing income resulting from the successful work already undertaken and the business case illustrated the potential additional income that could be generated from detecting and preventing fraud through the establishment of a permanent unit.

37.3 A Member felt that the income and loss avoidance figures, set out at Page No. 123 of the report, suggested that this was an easy decision and he queried what was meant by income generation. The Head of Finance and Asset Management advised that this was based on the initial stages of the pilot, for instance, the single person discount review in Council Tax had led to discounts being removed retrospectively and the review of housing applications had led to the cancellation of 63 applications which had subsequently resulted in £630,000 loss avoidance on the basis that there was no need for temporary accommodation to be utilised. It was believed that additional money could be generated by taking a more corporate approach to fraud, for instance, in areas such as Human Resources and Planning, and joining the Counter Fraud Unit would provide the capacity to take a broader and more in-depth look at this. On that basis, it was subsequently

- RESOLVED**
1. That the progress made to date by the Counter Fraud Unit be **NOTED**.
  2. That it be **RECOMMENDED TO COUNCIL** that option three of the business case – to establish a permanent Counter Fraud Unit – be **APPROVED**, subject to similar approval being made at all partner authorities; should all necessary approvals not be forthcoming, option two would be the Council's default position.

### **AUD.38 MONITORING OF SAFEGUARDING AUDIT**

38.1 Attention was drawn to the report of the Interim Head of Community Services, circulated at Pages No. 130-136, which set out the progress made in relation to the recommendations arising from the safeguarding audit. Members were asked to consider the report.

38.2 Members were advised that the Safeguarding Children Self-Assessment toolkit had been completed in November 2013 and an audit in 2014/15 had given assurance that it was a fair reflection of the Council's safeguarding arrangements. Where areas of partial or non-compliance had been identified, an action plan had been created with an implementation date of April 2014. The audit had identified that the implementation date had lapsed and all actions remained outstanding which had led to a 'limited' audit opinion. A follow-up report had been presented to the Audit Committee in March 2015 and it had been agreed that a report would be produced on an annual basis to give assurance that the correct measures, controls and arrangements were in place and the Council was meeting its safeguarding obligations – this was the first annual report. An internal self-assessment had been carried out to measure progress against the actions and this was summarised at Appendix 1 to the report. Additional details were provided for notable areas at Paragraph 2.2, Page No. 134 of the report, and included the introduction of mandatory safeguarding training for all licensed taxi drivers and the approval of the revised Safeguarding Policy by the Executive Committee in November 2016. In addition to the self-assessment, a further review would be carried out by Internal Audit in quarter four of 2016/17. It was noted that the Section 11 Audit issued by Gloucestershire County Council had not yet been received for completion for 2016 and recommendations for additional actions may follow from that.

38.3 It was noted that all issues identified within the audit had been actioned, with the exception of the Section 11 Audit, and the Chair offered his congratulations to the team on behalf of the Committee. It was

- RESOLVED** That the progress made in relation to the recommendations

arising from the safeguarding audit be **NOTED**.

**AUD.39 MONITORING OF SIGNIFICANT GOVERNANCE ISSUES**

39.1 The report of the Borough Solicitor, circulated at Pages No. 137-141, set out the Significant Governance Issues and the action to be taken to address them as identified in the Council's Annual Governance Statement. Members were asked to consider the progress that had been made against those issues.

39.2 Members were advised that the table at Appendix 1 to the report comprised the Significant Governance Issues identified and the proposed action and timescale as well as a column to indicate the progress made as at 30 November 2016. Actions 2-5 were all on track and expected to achieve the intended timescales. Action 1 related to the review of the Council's Constitution and Members were advised that work had not progressed as intended due to other unexpected work commitments within the small Democratic Services team. Whilst the review was a long standing one, assurance was provided that the Constitution remained relevant and simply required modernisation so the delay did not put the Council in a legally compromised position. A Member questioned whether Councillors would be involved in the review and the Borough Solicitor confirmed that Members would be consulted, potentially through a workshop to enable all to participate.

39.3 It was

**RESOLVED** That progress against the Significant Governance Issues identified in the Council's Annual Governance Statement be **NOTED**.

The meeting closed at 3:30 pm