



Minutes of the meeting of the **Corporate Governance & Audit Committee** held in virtual on Monday 9 January 2023 at 2.00 pm

**Members Present:** Mr F Hobbs (Chairman), Mr J Brown (Vice-Chairman), Miss H Barrie, Mr A Dignum, Dr K O'Kelly, Mr D Palmer and Mr P Wilding

**Members not present:** Mr T Johnson

**In attendance by invitation:**

**Officers present:** Mr P Jobson (Taxation Manager) and Mr J Ward (Director of Corporate Services)

#### 182 **Chairman's Announcements**

The Chairman agreed the following items would be taken under Agenda Item 9; Late Items;

- Approval of the minutes from the meeting held on 31 October 2022, and;
- Budget Update

Apologies had been received from Cllr T Johnson

#### 183 **Urgent items**

There were no urgent items.

#### 184 **Declarations of Interest**

No declarations of interest were made.

#### 185 **Public Question Time**

There were no public questions.

#### 186 **Enforcement Agent Contract**

Mr Jobson presented the report to the Committee.

He explained the report provided an update on the Council's contract with the enforcement agents employed to collect council tax, business rates and unpaid parking fines. The contract had been in place since November 2020 and was operating well, with collection rates higher than the national average.

Following the report introduction, the Chairman invited members of the Committee to come forward with any comments or questions.

Responding to a question from Cllr O'Kelly, Mr Jobson updated the Committee on the way in which debt was now being recovered following Covid-19. He explained the role of the Supporting You team and the Tell Jo app; information provided via the app was used to ensure that the correct support was offered to individuals. By working more holistically officers expected the rate of compliance to increase, with enforcement action only being employed against those who refused to pay.

Mr James confirmed that corporate debt recovery would be included within the council's Audit plan going forward.

Mr Jobson clarified the cost of debt recovery to the Council and how it was administered. In addition, he explained how unrecovered debt was accounted for.

RESOLVED;

That the Corporate Governance and Audit Committee note the report.

## 187 **Capital Strategy Report 2023-2024**

Mrs Belenger introduced the report. She explained that the draft Capital Strategy was a key corporate document which set out a high-level overview of the council's capital ambitions.

Mrs Belenger highlighted the key factors included within the strategy including; the Strategic Planning Framework, Governance Arrangements Council Assets, and the affordability of investments.

She explained how the strategy is linked to the council's treasury management activities and considered the issue of proportionality and risk in relation to the capital investment plans.

A new feature within the strategy was the consideration of service investment which had been brought into the regulatory framework, this included loans and investments which contributed to the council's strategic objectives or delivery of statutory responsibilities.

Mrs Belenger explained the table on page 27 of the agenda pack, would be amended to reflect what had already been recommended to Cabinet for the Treasury Management Strategy. An updated table would be circulated after the meeting.

She confirmed the strategy incorporated the requirements of CIPFA's Capital Strategy guidance, however, due to the late release of this information last year, several changes had been made to ensure compliance, these amendments had been set out in Appendix 1 of the report.

Following the report presentation, the Chairman invited the Committee to comment.

Responding to a question from Cllr Wilding; Mrs Belenger explained why the Local Plan was included within the Council Investment Vision.

Mrs Belenger provided further clarification of the figures detailed in Table 1 (p20 of the agenda pack) and Table 2 (page 21 of the agenda pack). The total approved spend in table 1 (£82.74m) was higher than the proposed capital expenditure (£72.88m). This was to be checked by officers and updated if necessary before Cabinet consider this report.

Responding to a question from Cllr Barrie; Mrs Belenger explained how climate change was considered as part of the decision-making process, and why it had not been given its own specific set of governance arrangements. In addition; the Chairman highlighted that the Cabinet Member for Environment was the advocate for climate change, and it was their responsibility to ensure that appropriate consideration was given at Cabinet and Council.

Following a vote; the Committee agreed to support the report recommendation.

RESOLVED

That the Corporate Governance and Audit Committee considered the Council's draft Capital Strategy for 2023-24 to 2027-28 and recommends to Cabinet and Council for approval.

#### 188 **Audit Plan Progress Report**

Mr James presented the report. He informed the Committee that the following two audit reports had been completed since the last meeting; Travel & Subsistence and Treasury Management.

A summary of exceptions had been raised; these were of a reasonable assurance and assurance and were no cause for concern.

Following a vote, the Committee agreed to note the report.

RESOLVED

That the Corporate Governance and Audit Committee note the report.

#### 189 **Exclusion of the Press and Public**

There was no requirement to exclude the press or public.

#### 190 **Late items**

As announced by the Chairman the following Late items were considered;

- Budget Task & Finish Group update
- Approval of the Minutes of the Meeting held on Monday 31 October 2022

## Budget Task & Finish Group update

Cllr Palmer gave the update.

Before he proceeded, he expressed his disappointment that of the six members of the TFG only two attended the meeting (one apology was received) and asked that Cllr Hobbs, as Chairman pick this matter up outside the meeting.

During the TFG the members present investigated the financial risks facing the Council. Their main areas for concern were Car Parks and the Management Contract for the Leisure Centre.

The Council were in the fortunate position of having no debt and this provided some security at a time of great uncertainty.

Cllr Palmer thanked officers for their support in preparing the report and recommended it to the Committee.

Mrs Belenger informed the Committee that the Five-Year Financial Model along with the Resources Statement had been circulated to members of the TFG ahead of their meeting to help set out the council's financial position.

A key point raised by officers at the TFG was the rise in Net budget requirements from £15,015,000 to £15,696,000. Mrs Belenger explained the increase was in line with what was expected in the Financial Strategy, however, it was subject to change as officers were currently working on the final budget and awaiting details of the Government's Local Government Finance Settlement

Responding to a question from Cllr Hobbs; Mrs Belenger explained that in response to the pandemic in 2020 the Council had set £8million aside to maintain financial security and support the revenue budget in the medium term. When the 2022-23 Budget was set around £808,000 was required from that figure to balance the current year's budget. However, in year monitoring suggests that this is likely to be higher because of the cost inflationary pressures being experienced. Details of which were set out in the Council's Financial strategy, in November 2022.

The Corporate Governance and Audit Committee agreed to note the update.

## Approval of the Minutes of the Meeting held on Monday 31 October 2022

The minutes of the meeting were agreed as a true and accurate record.

The meeting ended at 2.49 pm

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CHAIRMAN

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Date: