

**Minutes of a meeting of the
Joint Audit and Governance Committee
Adur District and Worthing Borough Councils**

QEII Room, Shoreham-Centre, Shoreham-by-Sea

28 May 2024

Councillor Nigel Corston (Vice-Chair)

Adur District Council:

Councillor Caroline Fuhrmann
Councillor Adrienne Lowe
Councillor Andy McGregor
Councillor Carol O'Neal
Councillor Julian Shinn

Worthing Borough Council:

Councillor Dan Hermitage
Councillor Dom Ford
Councillor Mike Barrett
Councillor Margaret Howard
Councillor Nigel Morgan
Councillor Richard Mulholland
Councillor Rosey Whorlow

Absent

Councillor Debs Stainforth, Councillor Tony Bellasis, Councillor Daniel Humphreys

JAGC/1/24-25 Substitute Members

JAGC/2/24-25 Declarations of Interest

Councillor Ford declared an interest as the governance programme lead for Solent NHS Trust which was being audited by Ernst & Young

JAGC/3/24-25 Minutes

The minutes of the meeting of the 21st of March 2024 were approved as a correct record and be signed by the Chairman

JAGC/4/24-25 Public Question Time

There were no questions from the public

JAGC/5/24-25 Member's Questions

There were no questions from Members

JAGC/6/24-25 Items Raised under Urgency Provisions

There were no urgent items

JAGC/7/24-25 The Statement of Accounts 2022/23

The Committee had a report before it attached as item 7, a copy of which had been circulated to all Members and is attached to a signed copy of these minutes. This report provided members with an update on the Statement of Accounts 2022/23 for Adur District Council and Worthing Borough Council and the external audit progress.

Members asked about the implications of the national audit reset, the difference between a Value for Money report and a traditional audit and; what had been included in the audit report.

Members were informed that the national reset would affect everyone and that any impacts would be managed and accounted for with discussions taking place with understanding subject to guidance yet to be produced; that while a traditional audit would look at financial statements and give an opinion if the numbers were true and fair, while a Value for Money report looked at the arrangements in place to produce those financial reports and that figures from 23/24 had not been included in the 22/23 report.

The Joint Audit and Governance Committee:

- Noted the contents of the report providing an update on the statement of accounts 2022/23 and the progress of the external audit and;
- Noted the updated information relating to government proposals to make legislative changes to align the statutory deadline for audited financial statements over the next 4 years to target dates of eight months after year end.

JAGC/8/24-25 External Audit Planning Reports

The Committee had a report before it attached as item 8, a copy of which had been circulated to all Members and is attached to a signed copy of these minutes. This report had been prepared by Ernst and Young, the external auditors.

Members asked about the difference between planning materiality and performance materiality and the effects of fraud reports on the current report. Members were informed that planning materiality was the value seen in any misstatements greater than that amount that would have led a reader to a misinterpretation of accounts and performance materiality had a threshold set of 50 or 75% of planning materiality to make sure the work of Ernst and Young covered and would identify any misstatements greater than the planning materiality and; that while aware of the fraud reports, the issues were under consideration and would be included in the Value for Money report for the current financial year.

The Joint Audit and Governance Committee noted the contents of the report

JAGC/9/24-25 Internal Audit Annual Reports

The Committee had a report before it, attached as item 9, a copy of which had been circulated to all Members and is attached to a signed copy of these minutes. This report was written and provided by the Councils internal auditors, Mazars.

Members asked about recommendations that had not been implemented yet, collaboration with Ernst & Young, the accuracy of information and how the list of reviews

was populated and prioritised. Members were informed that many reasons existed and while the report showed that some were not implemented, this didn't necessarily mean that they hadn't been. Members were informed that Mazars were aware of and worked closely with all partners, that information in the report was the most up to date at the time of writing the report with some dates positioned for Q4 that had not been shared yet and that the list was created through a mix of consultation with key stakeholders, working with the director of finance, looking at risk levels and some areas were regularly looked at.

Members discussed having more information on the 62 incomplete recommendations to better identify why this was, the time required to compile such a report and concerns on when information came through to the committee.

The Joint Audit and Governance Committee

- Noted the contents of the report
- Requested Mazars provide a breakdown of the 62 items not implemented on page 136 of the agenda pack to provide meaningful information including the status of due dates and actions to be taken, reasons for delays to be given on an item by item basis, to be presented at the meeting on September 26th.

JAGC/10/24-25 Annual Governance Statements 2023/24

The Committee had a report before it, attached as item 10, a copy of which had been circulated to all Members and is attached to a signed copy of these minutes. This report was to review and agree the Annual Governance Statements for 2023/24.

Members asked about the status of some actions and procurement actions for IT. Members were informed that the procurement policies were being updated and they would need to align when the new procurement act came in in October. Members were also informed that any contract requiring the provision of software or IT now had to go through the head of Digital Services.

The Joint Audit and Governance Committee:

- Noted the evidence of compliance with the Code of Corporate Governance and the Progress Report produced to deal with any issues arising from these requirements as set out in Appendix A
- Approved the Annual Governance Statements for each Council as set out in Appendix B and C to this report

JAGC/11/24-25 Joint Audit & Governance Committee Appointments: Parish Councillors

The Committee had a report before it, attached as item 11, a copy of which had been circulated to all Members and is attached to a signed copy of these minutes.

This report advised Members of the Joint Audit & Governance Committee of the nominations from Lancing Parish Council and Sompting Parish Council for Parish representatives to be appointed to the Joint Audit & Governance Committee as co-opted Members in accordance with the Constitution.

The Joint Audit and Governance Committee:

- Noted the nomination from Lancing Parish Council of the appointment of Cllr Liz Hayward as a Co-Opted Member of the Joint Audit & Governance Committee for 24/25 and recommend the appointment to Adur District Council and Worthing Borough Council
- Noted the nomination from Sompting Parish Council of the appointment of Cllr Tim Hicks as a Co-opted Member of the Joint Audit & Governance Committee for 24/25 and recommend the appointment to Adur District Council and Worthing Borough Council.

JAGC/12/24-25 Member Code of Conduct Complaints Report

The Committee had a report before it, attached as item 12, a copy of which had been circulated to all Members and is attached to a signed copy of these minutes. This report advised Members of the Joint Audit and Governance Committee of the complaints received by the Monitoring Officer, that Elected Members had breached the Code of Conduct. Complaints received related to Elected Members of Adur District Council, Worthing Borough Council, Sompting Parish Council and Lancing Parish Council.

Members discussed and acknowledged the work that had resulted in a drop in the number of complaints received and were informed that if a complaint were to be made online, it needed to specify which area of the code of conduct a Member had broken.

The Joint Audit and Governance Committee noted the contents of this report and the actions taken by the Monitoring Officer and/or the Council.

The meeting was declared closed by the Chairman at 8.00 pm, it having commenced at 6.30 pm

Chairman