

MINUTES OF A MEETING OF THE  
PERFORMANCE, AUDIT AND GOVERNANCE  
OVERSIGHT COMMITTEE HELD IN THE  
COUNCIL CHAMBER, WALLFIELDS,  
HERTFORD ON WEDNESDAY 31 JULY 2019,  
AT 7.00 PM

---

PRESENT: Councillor M Pope (Chairman)  
Councillors A Alder, S Bull, J Burmicz,  
L Corpe and A Ward-Booth

OFFICERS IN ATTENDANCE:

Mike Edley	- Interim Scrutiny Officer
Peter Mannings	- Democratic Services Officer
Su Tarran	- Head of Revenues and Benefits Shared Service
Robert Winterton	- Financial Services Manager
Ben Wood	- Head of Communications, Strategy and Policy

94 APOLOGIES

Apologies for absence were submitted on behalf of Councillors A Curtis and T Stowe. It was noted that Councillor A Ward-Booth was substituting for Councillor T Stowe.

95 MINUTES - 21 MAY 2019

It was moved by Councillor S Bull and seconded by Councillor A Ward-Booth that the Minutes of the meeting held on 21 May 2019 be confirmed as a

correct record and signed by the Chairman. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Minutes of the meeting held on 21 May 2019 be confirmed as a correct record and signed by the Chairman.

96 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed Members to the meeting. He referred to a number of housekeeping matters.

97 COUNCIL TAX REDUCTION SCHEME

The Executive Member for Finance and Support Services submitted a report about the current local Council Tax Support Scheme (CTS) and considered whether any changes to the scheme should be considered for 2020/21.

The Head of the Revenues and Benefits Shared Service provided a summary of the report in the form of a PowerPoint presentation. She said that the Authority must agree a scheme for the coming financial year not later than 11 March 2020, even if no change was proposed.

Members were advised of the actions that would be required if changes to the scheme were proposed. The Head of the Shared Service stated that Officers had considered ways of changing the scheme to simplify and reduce costs. She detailed the actions that had been taken by the Authority since 2013. She highlighted the current likely minimum costs to the

customer.

The Head of the Shared Service updated the Committee in respect of Universal Credit and summarised the differences between Housing Benefit, Council Tax Support and Universal Credit. She said that the recommendation was not to change anything now until such time as Universal Credit was rolled out which will reduce the administrative burden.

The Head of the Shared Service referred to the ongoing preparations for the migration of the residual working age caseload and the evaluation of a discount or banded scheme for working age Council Tax Support customers on Universal Credit.

Councillor A Alder said that, as at 31 March 2019, there were 1002 working customers in receipt of Council Tax Support (CTS) who had arrears outstanding from the 2018/19 tax year. She believed that the value of these arrears amounted to £214,000.

The Head of the Shared Service responded to a query from Councillor L Corpe in respect of learning from other Authorities regarding software providers. It was moved by Councillor A Alder and seconded by Councillor L Corpe that the Executive be advised that Performance, Audit and Governance Oversight Committee recommends that there should be no change to the 2020/21 Council Tax Reduction Scheme. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Executive be advised that Performance, Audit and Governance Oversight

Committee recommends that there should be no change to the 2020/21 Council Tax Reduction Scheme.

98 STATEMENT OF ACCOUNTS 2018/19

The Head of Strategic Finance and Property submitted a report updating Members on the timing of the 2018/19 audit of the Statement of Accounts and provided the Council's overall financial position in the Balance Sheet, and of revenue activities for the General Fund and Collection Fund. The Financial Services Manager provided a summary of the report.

Members were advised that Ernst Young (EY) were still unable to give East Herts a definitive date for the completion of the audit which was now likely to be until the end of September.

The Committee was also advised that, due to these delays, approval and authorisation of the Council's Statement of Accounts for the financial year 2018/19 would not be able to take place until Tuesday 19 November 2019.

It was moved by Councillor S Bull and seconded by Councillor A Alder that the Committee support the recommendations now detailed. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) authority be delegated to the Chairman of Performance, Audit and Governance Oversight Committee to approve and authorise the signing of the Council's

Statement of Accounts for the financial year 2018/19 following the conclusion of the external audit; and

(B) Authority be delegated to the Chairman of Performance, Audit and Governance Oversight Committee and the Head of Strategic Finance and Property to authorise and sign the Letter of Representation.

## 99 ANNUAL GOVERNANCE STATEMENT

The Leader of the Council submitted a report setting out the 2018/19 Annual Governance Statement and the 2019/20 Annual Governance Statement Action Plan. The Financial Services Manager provided a summary of the report.

Members were reminded that the 2015 Accounts and Audit Regulations stipulated that all Authorities must conduct a review of the effectiveness of the system of internal controls and prepare an Annual Governance Statement each financial year.

The Financial Services Manager confirmed that the Shared Internal Audit Service had changed how recommendations were classified and that there would be more actions points this financial year.

The Financial Services Manger responded to a number of queries from Councillor A Alder in respect of information technology and IT disaster recovery timelines. The Interim Scrutiny Officer said that Standards Committee was intended to be a stand-alone Committee rather than falling under the remit of

the Performance, Audit and Governance Oversight Committee.

Councillor A Ward-Booth commented on the introduction of public speaking at Overview and Scrutiny Committee. The Interim Scrutiny Officer stated this could prove to be difficult to manage in terms of public expectations.

Councillor A Ward-Booth said that he believed public speaking could prove to be a popular measure. The Chief Executive commented on open engagement with the community and said that Officers could look at best practice in other Councils.

The Financial Services Manager confirmed that PMR stood for "Performance Management Regime". It was moved by Councillor S Bull and seconded by Councillor A Ward-Booth that the Annual Governance Statement for 2018/19 be received and that the 2019/20 Action Plan be noted. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the 2018/19 Annual Governance Statement be received; and

(B) the 2019/20 Annual Governance Statement Action Plan be noted.

## 100 ANNUAL PERFORMANCE REPORT

The Head of Communications, Strategy and Policy submitted a report on the detail of the Council's Annual Report 2018/19. The report summarised key achievements for the year and provided an update on

the key actions and performance indicators which support the Council's Corporate Strategic Plan Priorities.

The Head of Communications, Strategy and Policy provided a summary of the report. The Chairman said that this report had been reported to the Executive and it was within the remit of the Performance, Audit and Governance Oversight Committee.

The Head of Communications, Strategy and Policy responded to a number of questions from Members regarding Essential Reference Papers 'B' and 'C' and the performance indicators and service plan actions and their contribution towards the priorities in the Corporate Strategic Plan. Members noted the report.

It was proposed by Councillor A Ward-Booth and seconded by Councillor L Corpe that the recommendation detailed in the report be supported. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the content of the 2018/19 Annual Report, be noted.

#### 101 SIAS PROGRESS REPORT

The Shared Internal Audit Service (SIAS) submitted a report on the progress made in delivering the Council's 2019/20 Internal Audit Plan as at 12 July 2019, the findings for the period 1 April to 12 July 2019, including the status of previously agreed Internal Audit recommendations.

The report summarised the proposed amendments required to the approved 2019/20 Internal Audit Plan and provided an update on performance management information as at 12 July 2019. The SIAS Officer provided a summary of the report and detailed a number of key messages for Members. He also referred to a number of final reports and assignments that had been issued in respect of the 2019/20 Audit Plan.

Members were advised that all outstanding audit reports would be emailed once finalised and Members should direct any questions to the respective Service Managers. It was moved by Councillor S Bull and seconded by Councillor A Ward-Booth that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the Internal Audit progress report be noted;

(B) the status of critical and high priority recommendations, be noted.

102 SIAS ANNUAL ASSURANCE STATEMENT AND  
INTERNAL AUDIT REPORT

The Shared Internal Audit Service submitted a report on the adequacy and effectiveness of the Council's control environment. The report detailed the outcomes of the self-assessment against the Public Sector Internal Audit Standards (PSIAS) incorporating the requirements of the Quality Assurance and Improvement Programme (QAIP) and summarised the



audit work that informed the option. The report detailed SIAS's performance in respect of delivery the Council's Audit Plan and presented the 2019/20 Audit Charter.

The SIAS Officer provided a summary of the report and said that all targets had been met in 2018/19. He also referred to the Internal Audit Charter and the Audit Planning Arrangements.

It was proposed by Councillor A Ward-Booth and seconded by Councillor A Alder that the recommendations as detailed be approved. After being to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the Annual Assurance Statement and Internal Audit Annual Report, be noted;

(B) the results of the self-assessment required by the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP), be noted;

(C) the SIAS Charter be accepted; and

(D) the Head of Strategic Finance and Property confirmed that the scope and resources for the internal audit were not subjected to inappropriate limitations in 2018/19.

## 103 SIAS ANNUAL REPORT

The Shared Internal Audit Services (SIAS) submitted

their Annual Report for 2018/19. The summary, written by the Head of the Shared Internal Service, praised the commitment and dedication of the team, external service providers and partners and explained that SIAS had achieved its overall performance targets despite a number of challenges.

The SIAS Officer highlighted a number of key issues and said it was recommended that Performance, Audit and Governance Oversight Committee seek management assurance that the scope and resources for internal audit were not subject to inappropriate limitations in 2018/19.

The Financial Services Manager confirmed that the scope and resources for internal audit were not subject to inappropriate limitations in 2018/19. He said that service resilience had been enhanced by having BDO (audit delivery partners) working with the SIAS as they had experience of IT Audits that the general auditors did not have.

It was proposed by Councillor A Alder and seconded by Councillor L Corpe that the Annual Report be received. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the 2018/19 SIAS Annual Report be received.

104 DRAFT WORK PROGRAMME PROPOSALS 2019-20

The Scrutiny Officer submitted a report inviting Members to review and determine a future work programme for Performance, Audit and Governance

Oversight Committee. The Scrutiny Officer provided Members with background to the development of the draft work programme.

Members discussed the work programme and the potential work load. The Scrutiny Officer suggested that inter-meeting task groups could resolve some concerns about the length and complexity of some agenda items.

It was moved by Councillor A Alder and seconded by Councillor L Corpe that the agenda items for the September 2019 meeting be approved and the draft work programme for the civic year 2019/20 be approved, subject to the inclusion of subject matter in the performance management reviews by the Scrutiny Officer. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the agenda items for the September meeting be approved; and

(B) the draft work programme for the 2019/20 civic year, be approved.

The meeting closed at 8.56 pm

Chairman .....
Date .....

PAGO

PAGO