

MINUTES OF A MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
HELD IN THE COUNCIL CHAMBER,
WALLFIELDS, HERTFORD ON
WEDNESDAY 28 MAY 2025, AT 7.00 PM

PRESENT: Councillor M Adams (Chair)
Councillors C Hart, S Nicholls, G Williamson
and Mr N Sharman

ALSO PRESENT:

Councillors C Brittain, B Crystall, J Dumont
and S Hopewell

OFFICERS IN ATTENDANCE:

Michele Aves	- Committee Support Officer
Brian Moldon	- Director for Finance, Risk and Performance
Alison Street	- Financial Planning Manager
Tyron Suddes	- Information Governance and Data Protection Manager

ALSO IN ATTENDANCE:

Dan Humphries	- Contracts Manager, Everyone Active
Simon Martin	- Shared Internal Audit Service
Amar Varsani	- Grange Paddocks Leisure Centre

27 APPOINTMENT OF VICE-CHAIR FOR 2025/26
It was moved by the Chair and seconded by Councillor Williamson that Councillor Nicholls be appointed as Vice-

Chair of the Audit and Governance Committee for 2025/26. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that Councillor Nicholls be appointed as Vice-Chair of the Audit and Governance Committee for 2025/26.

28 APOLOGIES

There were apologies for absence from Councillors Deering, Woolcombe and Willcocks, and from Mark Poppy, Independent Person.

29 MINUTES - 22 APRIL 2025

It was moved by Councillor Nicholls and seconded by Councillor Williamson that the Minutes of the meeting of the Committee held on 22 April 2025 be confirmed as a correct record and signed by the Chair. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Minutes of the Committee meeting held on 22 April 2025 be confirmed as a correct record and signed by the Chair.

30 CHAIR'S ANNOUNCEMENTS

The Chair welcomed Councillor Nicholls as Vice-Chair for 2025/26. He said that he hoped it would be a joyful year.

31 DECLARATIONS OF INTEREST

There were no declarations of interest.

32 DATA PROTECTION UPDATE

The Information Governance and Data Protection Manager introduced the report which provided an update on the council's response to data breaches and subject access requests from 1st October 2024 to 1st April 2025.

The Information Governance and Data Protection Manager said that there had been 11 breaches in the period, none of which had required reporting to the

Information Commissioner's Office (ICO). He said that 9 of these breaches were due to incorrect email recipients, 1 was due to a BEAM data transfer error and the other due to an error in publication on the planning portal.

The Information Governance and Data Protection Manager said that in relation to the breaches, apologies had been issued to the affected data subjects, with recipients asked to confirm deletion of the data received. He said that responsible staff had been issued handling reminders and had retaken the data protection e-learning module.

The Information Governance and Data Protection Manager said that the incorrect data had been removed from the planning portal immediately, with the process updated to prevent further breaches. He said that there had been other preventive measures taken during the period, including updates to Council Tax account processes, assurance from software providers and attempted email recalls where applicable.

The Information Governance and Data Protection Manager said that the number of breaches remained acceptable given the volume of data which the council processed. He said that staff were effectively recognising and reporting any breaches within policy time limits and that the council's data breach incidents and responses were audited in October 2024, receiving a substantial assurance.

The Information Governance and Data Protection Manager said that 11 Subject Access Requests were received in the period, all of which had been processed within statutory time limits.

The Chair thanked the Information Governance and Data Protection Manager for his report.

Councillor Nicholls said that the report was very reassuring and asked how the number of breaches

council compared against other local authorities. She also asked if the data protection e-learning module had been effective.

The Information Governance and Data Protection Manager said that the number of breaches was regarded as normal, with any more than 20 in the period a cause for concern. He said that the annual e-learning training was mandatory for all staff, with a retake required by employees involved in a breach.

The Chair asked if there was need for concern amongst residents who were required to provide personal details in an online form to obtain their bin collection cycles, asking if this was an increased threat.

The Information Governance and Data Protection Manager said that the need for the data should have been questioned.

The Director for Finance, Risk and Performance said that this matter had been raised at Leadership Team. He said that the process was being moved away from, and that residents would no longer have to register their details to obtain the required information.

Councillor Hart questioned why the form had been intrusive in the first instance. The Information Governance and Data Protection Manager said that the form should have been seen by him earlier – and the need for data would have been questioned.

It was moved by Councillor Williamson and seconded by Councillor Nicholls, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that (A) the contents of the report be noted, and any observations be provided to the Information Governance and Data Protection Manager.

33 ANNUAL ASSURANCE STATEMENT AND INTERNAL
AUDIT ANNUAL REPORT 2024/25

The Shared Internal Audit Service (SIAS) Manager introduced the report which summarised the audit activity and outcomes for 2024/25. He drew Members attention to page 28 of the report which gave the annual assurance opinion.

The SIAS Manager referred to pages 33 and 34 of the report which showed how the service fared against performance indicators, which almost without exception were met and gave detail on service developments, such as securing new business outside of Hertfordshire.

The SIAS Manager said that the Audit Charter for 2025/26 could be seen from page 44 of the report, which remained almost unchanged from last year apart from paragraphs 6.1 and 6.3.

The Chair thanked the SIAS Manager for his report.

Councillor Nicholls asked if the issues relating to premises licenses were now resolved, and if there were any operating difficulties for SIAS.

The SIAS Manager said that record keeping and status on licences was now in place, with management assurance, which would be followed up. He said that regular liaison meetings were held, including catch ups with Heads of Service, and that any delays with field work (which was dependent on staff engagement) was picked up later in the year.

The Chair asked if the council was a contributor who could influence the content of the audit charter.

The SIAS Manager said that the charter followed a template, with the Global Internal Audit Standards reflected. He said that the council did not influence, with content driven externally.

The Chair referred to the report recommendations and sought verbal assurance from the Director of Finance, Risk and Performance that the scope and resources for internal audit were not subject to inappropriate limitations in 2024/25.

The Director of Finance, Risk and Performance gave this assurance.

It was moved by Councillor Williamson and seconded by Councillor Nicholls, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that (A) the Annual Assurance Statement and Internal Audit Annual Report 2024/25 be noted: and

(B) that the results of the self-assessment required by the Global Internal Audit Standards (GIAS) and the Quality Assurance and Improvement Programme (QAIP) be noted: and

(C) that the SIAS Audit Charter 2025/26 be approved: and

(D) that management assurance that the scope and resources for internal audit were not subject to inappropriate limitations in 2024/25 be sought.

34 PROVISIONAL OUTTURN 2023/24 AND 2023/24 DRAFT STATEMENT OF ACCOUNTS

The Service Manager (Strategic Finance) introduced the report which presented the 2023/24 provisional outturn and draft statement of accounts for 2023/24. She said that as highlighted in the report and at previous meetings of the Committee both items had been subject to delay due to the ongoing 2021/22 and 2022/23 audits, the review of aged debts and the minimum revenue provision and capitalisation of salaries.

The Service Manager (Strategic Finance) said that the 2021/22 and 2022/23 audits were concluded at the Committee's meeting on 22 April, and that the impact of the completed reviews in 2023/24 were included in the outturn position and the draft statement of accounts. She said that the 2023/24 outturn position showed an underspend of £224k, which had been transferred to reserves to fund future overspends and that the 2024/25 provisional outturn would be presented to Members at the next meeting.

The Chair thanked the Service Manager (Strategic Finance) for her report.

Councillor Williamson sought clarification regarding the reason for the variance of funding reported in Table 1.

The Service Manager (Strategic Finance) said that this was due to the budget being set with a net deficit on council tax and business rate collections, and the outturn position having a surplus – mainly due to changes in the appeals process, giving movement of £3.3 million.

It was moved by Councillor Nicholls and seconded by Councillor Williamson, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that (A) the general fund revenue outturn of £224k underspend to be transferred to the general reserve be noted: and

(B) that the capital outturn position be noted: and

(C) that the 2023/24 draft statement of accounts be received.

35 2024/25 ACCOUNTING POLICIES

The Service Manager (Strategic Finance) introduced the report which presented the accounting policies to be used

in the production of the 2024/25 Statement of Accounts. She said that agreement of these policies would help the authority to fulfil its statutory duty to prepare accounts in line with current legislation, codes of practice and standards.

The Service Manager (Strategic Finance) said that there had been no significant changes to the previously used standards, other than some small presentational changes.

The Chair thanked the Service Manager (Strategic Finance) for her report.

Councillor Williamson said that the policies were mostly unchanged and was happy to accept them.

It was moved by Councillor Nicholls and seconded by Councillor Hart, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that the accounting policies, as set out in Appendix A, be approved for use in the 2024/25 Statement of Accounts.

36 MONITORING 2024/25 QUARTER 4 CORPORATE RISK REGISTER

The Director for Finance, Risk and Performance introduced the updated corporate risk report. He said that there had been no change to any scores, with no new risks added or deleted.

The Director for Finance, Risk and Performance said that it was too early for local government reorganisation to be included on the register, as there were too many unknowns. He assured Members that this issue was on the radar.

The Chair thanked the Director for Finance, Risk and Performance for the report.

Mr Sharman noted that there were now mitigations in place regarding the production of accounts, which enabled continuous monitoring.

The Director for Finance, Risk and Performance said that such risks were covered around financial resources, such as resources in the team. He said that a report went to Council in May 2025 which also recommended regular reports around these risks.

The Chair asked if target dates could also be populated in the table as seen on page 166 of the report.

The Director for Finance, Risk and Performance said that such dates could be included.

It was moved by Councillor Williamson and seconded by Councillor Hart, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that the 2024/25 quarter four corporate risk register and actions being taken to control and mitigate risk be noted.

37 SOCIAL VALUE POLICY 2025-2030

The Director for Finance, Risk and Performance introduced the report regarding a refresh of the Social Value Policy adopted by the council in 2021. He said that following review with all service areas which undertook procurement, the number of Themes, Outcomes and Measures (TOM's) had been greatly reduced.

The Chair thanked the Director for Finance, Risk and Performance for the report.

Councillor Nicholls welcomed the suggestion that social value be considered in planning applications, and asked how penalties would be monitored for contractors who did not comply.

The Director for Finance, Risk and Performance said that obligations would be included within contracts, signed between the parties, which would be weighted and scored with consequences and penalties for non-compliance included.

Councillor Hart asked how social detriment was evaluated.

The Director for Finance, Risk and Performance said that any detrimental impact was considered pre-contract.

Councillor Nicholls asked if the added costs of including social value would act as a deterrent to some contractors.

The Director for Finance, Risk and Performance said that the policy had been in place since 2021, and each contract was looked at on a case-by-case basis.

It was moved by Councillor Nicholls and seconded by Councillor Williamson, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that the draft Social Value Policy 2025-2030 set out in Appendix A, be approved.

- 38 ANNUAL LEISURE CONTRACT PERFORMANCE REPORT
With the consent of the Chair, the Annual Leisure Contract Performance report was moved up to agenda item 7, however the minutes are written in the order of the original agenda.

The Executive Member for Wellbeing introduced the report to the Committee, which detailed the 6th year of the 15-year leisure contract with Everyone Active. She said that 2024 contained a lot of positives, including in excess of 1.6 million visits to the leisure facilities.

The Executive Member for Wellbeing reflected on the loss of funding for Leventhorpe and Fanshawe resulting in the closure of these facilities, despite huge efforts within the

community to keep them open. She said that alternative solutions at Fanshawe continued to be explored, but the ability for many of the users of these closed facilities to transfer to alternative centres within the district was positive.

The Executive Member for Wellbeing highlighted the wider work which had been carried out over the period, including the relaunch of the exercise on referral scheme, and the introduction of dedicated senior and wellbeing programmes.

The Chair thanked the Executive Member for Wellbeing for her report.

The Everyone Active Contracts Manager and the General Manager of Grange Paddocks gave a presentation to the Committee, which gave an overview of the 2024 year.

The Executive Member for Corporate Services said that the numbers within the report and presentation were fantastic, and asked how much more headroom was available with regards to capacity at the facilities.

The Everyone Active Contracts Manager said that this question was difficult to answer, as facilities had 'peak times' when habitually people wished to use them and that if people could not use the facilities when they wished they would not renew their memberships. He said that as part of a planned £600,000 refurbishment at the Grange Paddocks gym, sensors had been deployed to measure the use of equipment, enabling a design which made better use of the space.

The Executive Member for Corporate Services asked if Everyone Active were aware that the limit to the number of younger people who could use the gym was causing parents to not be able to book for their children.

The Everyone Active Contracts Manager said that they were aware of this issue and were looking to change age and availability times. He said that it was a struggle to meet the demand for younger people, but other users did not want to use the facilities alongside them. He said that exercise

classes could be offered to this age group, but research had shown that they did not want 'watered down' versions of activities.

Councillor Williamson said that there was lots of good news in the report, which was impressive. He asked if there were numbers relating to those who had not transferred from Leventhorpe and Fanshawe, and if there had been any efforts to entice these users.

The Everyone Active Contracts Manager said that this was around 400 people, with some not transferring to other facilities due to practicalities and others deciding to do other activities. He said that pricing for transferees had been held for 12 months.

Councillor Nicholls asked if there was data which showed where those who used Ward Freeman had transferred to.

The Everyone Active Contracts Manager said that these users had transferred to Ware facilities or had moved out of district to North Herts.

Councillor Nicholls asked if there was any offsetting of the facility's high energy consumption.

The Everyone Active Contracts Manager said that this was a national challenge. He said that active travel was encouraged for patrons and staff, with work with Neighbourhood Police Teams ongoing in relation to bike thefts.

Councillor Hart said that she was an advocate for 'Save Fanshawe' and that it would be good motivation to know if its closure meant that capacity could not be met by other facilities.

Mr Sharman said that the statistics within the report looked great and asked if targets were on track.

The Everyone Active Contracts Manager said that results

were significantly higher than expected. He said that commercial activity could not be discussed in such an open forum, but the council were very happy from a financial perspective.

The Director for Finance, Risk and Performance said that the information was included in the budget setting report.

It was moved by Councillor Williamson and seconded by Councillor Nicholls, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that the Annual Leisure Contract Performance Report (2024) as set by the service leisure provider be reviewed and received.

39 AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME

The Director for Finance, Risk and Performance introduced the report. He drew Members attention to page 207, which as per previously requested by the Committee, now included a table (with due dates) relating to the publication of the statement of accounts.

The Director for Finance, Risk and Performance introduced the report and said that the programme for 2026/27 was currently being scheduled with the Chair, in anticipation that this would consist of 5 Committee meetings, and a further joint meeting with the Overview and Scrutiny Committee to take place in January for budget reports.

The Chair thanked the Director for Finance, Risk and Performance for the report and said that the table was very concise.

Councillor Williamson said that the dates, as added, were very helpful, giving clarity. He said that the joint meeting held with the Overview and Scrutiny Committee was very positive.

Councillor Nicholls asked for confirmation of training for the Committee.

The Director for Finance, Risk and Performance said that training would be scheduled for treasury management, fraud, and risk. He welcomed suggestions from the Committee for other training subjects.

Mr Sharman said that the Leisure Report, as received at the meeting, was not as described, and sought clarity regarding this. He referred to the BEAM report, which was scheduled on the work programme, and asked if the business case could be seen by the Committee. He added that the BEAM report appeared to be duplicated for both September and November.

The Director for Finance, Risk and Performance said that the BEAM report was duplicated and should only be scheduled for November's agenda. He said that this report would give an update on BEAM's performance and would feed into outturn – therefore possibly requiring it to be heard in Part 2.

Mr Sharman said that the Committee needed assurances that the council was receiving what it anticipated/ good value with the Leisure Contract, and that there was a gap in the earlier conversation around this.

The Director for Finance, Risk and Performance said that with regards to the Leisure Contract, Everyone Active paid the council to operate the contract, with the council receiving additional profit share to this. He said that this was currently beyond expectations.

The Director for Finance, Risk and Performance said that with regards to BEAM, the report would give achievements to date.

Mr Sharman asked if a target was set by the Council for the contractor.

The Director for Finance, Risk and Performance said that this would be a conversation for the Director of Place.

It was moved by Councillor Nicholls and seconded by Councillor Williamson, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that (A) the work programme as set out in the report be approved; and

(B) any training requirements be specified.

40 URGENT ITEMS
There were no urgent items.

The meeting closed at 8.43 pm

Chairman
Date