

## Minutes of the Meeting of the AUDIT AND SCRUTINY COMMITTEE held at the Council Chamber, Epsom Town Hall on 28 March 2024

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### PRESENT -

Councillor Steve Bridger (Chair); Councillor Robert Leach (Vice-Chair); Councillors Chris Ames, Christine Howells, James Lawrence, Jan Mason, Phil Neale and Chris Watson

Absent: Councillor Rachel King

Officers present: Piero Ionta (Head of Legal Services and Monitoring Officer), Brendan Bradley (Chief Finance Officer), Sue Emmons (Chief Accountant), Will Mace (Business Assurance Manager) (in attendance remotely), Matt Dean (Representative of the Council's External Auditor (Grant Thornton)), Natalie Jerams (Deputy Head of Partnership) (in attendance remotely for Minute Items 86-91) and Phoebe Batchelor (Democratic Services Officer)

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### 86 QUESTIONS AND STATEMENTS FROM THE PUBLIC

A Member of the Public submitted a question prior to the meeting and received a written response from the Chair.

The Member of the Public asked their supplementary question at the meeting.

The Chair informed the Member of the Public that they would receive a written response following the meeting.

### 87 DECLARATIONS OF INTEREST

Councillor Ames and Councillor Leach declared they are Members of the Strategy and Resources Committee, which is relevant to a number of items on the agenda.

The Monitoring Officer and Head of Legal confirmed that Agenda Item 14 is an exempt Part II matter and if any declarations of interests are required, they can be made by Councillors once the meeting is in Part II and will be reflected in the minutes.

Councillor Neale asked if there is a conflict of interest dealing with the member of the public who raised an accusation against the Chair, and queried whether the Chair should excuse himself and let the Vice Chair deal with the question raised by the member of the public.

The Monitoring Officer and Head of Legal confirmed that part of that process of responding to the public question will involve considering any conflict of interest and deciding if the response should be via the Chair or the Vice Chair, of which they will be advised following the meeting, once matters have been clarified.

## 88 MINUTES OF THE PREVIOUS MEETING

The Committee confirmed as a true record the Minutes of the Meeting of the Committee held on 1 February 2024 and authorised the Chair to sign them, subject to the following amendment italicised below;

“Minute 81,

- a) **Agenda items.** A Member of the Committee queried how to get items added to the agenda and workplan. The Chair informed the Committee that if a written request is received within the correct timeframe and it can be resourced, it can be added to the agenda. The Member raised that in December they requested an item to be added to the agenda which details and clarifies the process for getting a scrutiny action added to the agenda, and asked if this is something that can be added to the Committee’s workplan. The Interim Director of Corporate Services informed the Committee that scrutiny work requires resourcing and input from Officers and Members over a period of time and this must all be taken into account before a scrutiny item can be actioned and added to the workplan. The Vice Chair confirmed that producing a scrutiny report can be time intensive but it is important for all Members of the Committee to raise concerns they have to the Chair so they can be dealt with in the most appropriate way possible. *The Vice Chair expressed a view, that the relevant part of the Constitution, regarding scrutiny items, is contradictory and badly drafted.*”

## 89 EXTERNAL AUDIT UPDATE

The report presented the 2022/23 Statement of Accounts, Grant Thornton’s Audit Findings Report, and the Auditor’s Annual Report following the external audit.

The following matters were considered:

- a) **Increased Costs.** A Member of the Committee asked if the increased costs split between the Council and Grant Thornton have been agreed or if they are still only a proposal. The Chief Finance Officer responded to inform the Committee that the final fee has not yet been agreed yet, it will be referred to Public Sector Audit Appointments Ltd., who managed the External Audit contact, and they will adjudicate on the final fee. A Member of the Committee asked how long a delay from Council Officers caused this increased cost. The Chief Finance Officer explained that there were resourcing challenges on both sides, which contributed to the delay. The Representative from Grant Thornton informed the Committee that the delay was days, not weeks or months.

- b) **Valuation of properties.** A Member of the Committee asked if the valuation of properties, on page 36, which shows a new decrease of £2.4million, is roughly in line with the sector or something quite different. The Chief Finance Officer responded to explain that the Council's properties are externally valued, and the valuations typically move in line with the overall external market.
- c) **Alexandra Rec Martial Arts Centre.** A Member of the Committee asked about the tender process for the Alexandra Rec Martial Arts Centre and the reasoning behind why the process has gone overbudget. The Chief Accountant agreed to provide a written response after the meeting. The Chief Finance Officer noted the comments and agreed to feed back to the Property Team.

Following consideration, the Committee unanimously resolved to:

- (1) **Approve the Statement of Accounts for the year ended 31 March 2023;**
- (2) **Receive the Audit Findings for 2022/23;**
- (3) **Agree the management action in response to the audit recommendations detailed at Appendix A of the Audit Findings report;**
- (4) **Authorise and agree that the Chair or Vice Chair of Audit and Scrutiny Committee and the Chief Finance Officer sign the Statement of Accounts and Letter of Representation on behalf of the Council;**
- (5) **Nominate and authorise the Chief Finance Officer, in consultation with the Chair or Vice Chair of Audit & Scrutiny Committee, to make any further amendments to the 2022/23 Statement of Accounts;**
- (6) **Receive the Auditor's Annual Report for 2022/23;**
- (7) **Agree the management actions in response to the recommendations in the Auditor's Annual Report;**
- (8) **Note that the Auditor's Annual Report will also be presented to the next meeting of Full Council.**

## 90 INTERNAL AUDIT PLAN AND CHARTER 2024-2025

This report introduced the Internal Audit Plan and Charter for 2024-2025.

The following items were considered:

- a) **Council Risk.** A Member of the Committee raised that on page 215 a risk highlighted in red is non-compliance with safeguarding legislation, internal policies and best practice and queried if that is a particular concern for the Council or if it is always kept in red for checking. The Internal Auditor responded to confirm they have assessed those risks and then considered the areas for inclusion within next year's Internal Audit Plan,

and it can be noted that further through the plan, page 219, there is an Audit proposed to cover safeguarding to provide assurance around that risk for Q3. The Business Assurance Manager confirmed that on page 310 there is an Q3 update on the risk in question, which details items in progress to bring the risk down.

Following consideration, the Committee resolved to;

(6 for, 1 abstaining)

- (1) **Endorse the Internal Audit Plan 2024-2025 as set out at Appendix 1.**
- (2) **Approve the Internal Audit Charter 2024-2025 as set out in Appendix 2.**

## 91 INTERNAL AUDIT PROGRESS REPORT - MARCH 2024

The report summarised progress against the Internal Audit Plan 2023-2024.

The following matters were considered:

- a) **Audit Reviews.** A Member of the Committee queried the table set out on page 239, and asked if the overdue items were due to waiting on information from EEBC or audit resource. The Internal Auditor responded to explain that the target dates were identified by Council Officers and the RAG rating is reflecting the original target date assigned to the action. The Internal Auditor continued to explain that the appendices attached to the report explain the original target date given and the revised due date and provide further information around what the actual observation was on the high priority actions.
- b) **Planning Enforcement.** A Member of the Committee asked why there was a period where the Council did not have any Planning Enforcement Staff. The Chief Finance Officer responded to inform the Committee that as detailed on page 240, the Council recruited a new permanent enforcement officer after the completion of the Internal Audit. Another Member asked about issues surrounding Planning Enforcement and raised that it would be a pertinent item for further scrutiny. The Chair informed that Committee that prior to the hiring of the permanent Enforcement Officer, there was a temporary Enforcement Officer who was employed on a temporary contract, meaning the Council has not gone without an Enforcement Officer, they have just been employed on a temporary basis until now. The Business Assurance Manager informed the Committee that the Head of Service provided a statement in response to the assurance report and shared that the current enforcement officer is making progress on the backlog of cases, alongside several other improvement actions that have been implemented to address the observations made in the report.

Following consideration, the Committee unanimously resolved to:

**(1) Note the internal audit progress report 2023-2024 from Southern Internal Audit Partnership (SIAP) attached at Appendix 1.**

**92 ANNUAL REPORT ON THE USE OF RIPA POWERS**

The Committee received a report on the Council's activities relating to surveillance under the Regulation of Investigatory Powers Act 2000 (RIPA) for 2023.

The following matters were considered:

- a) **Use of Powers.** A Member of the Committee asked how people can request the use of RIPA powers and who decides which covert surveillance operations will be implemented. The Monitoring Officer responded to explain that the process is set out in paragraph 2.3 and 2.4 of the report.

Following consideration, the Committee unanimously resolved to:

**(1) Note the annual report of the Council's use of its RIPA powers in 2023.**

**93 COMMITTEE ANNUAL REPORT 2023-2024**

The Committee received a report presenting the Annual Report of the Audit and Scrutiny Committee for 2023-2024, which covered the work of the Committee between April 2023 and February 2024.

The following matters were considered:

- Councillor Ames proposed an amendment to paragraph 5.1 of Agenda Item 8, Appendix 1, page 265 of the report;

*'The Audit and Scrutiny Committee has carried out limited and inadequate scrutiny of the Council's performance during the past year but nevertheless wishes to record its thanks to all those who contributed to its work.'*

The proposal was seconded by Councillor Lawrence.

The Committee voted (3 for, 4 against, and 1 abstaining) against the motion.

- Councillor Lawrence proposed an alternative wording to the amendment put forward by Councillor Ames, removing *'and inadequate'*,

*'The Audit and Scrutiny Committee has carried out limited scrutiny of the Council's performance during the past year but nevertheless wishes to record its thanks to all those who contributed to its work.'*

The proposal was seconded by Councillor Neale.

The Committee agreed (6 for, 1 against, and the Chair not voting) the proposed amendment and its inclusion in the report.

Following consideration, the Committee unanimously resolved to:

- (1) Approve the Annual Report 2023-2024 attached at Appendix 1 to the report, as amended, and to present the Annual Report to the next meeting of Full Council.**

#### **94 COMPLAINTS REPORT APRIL 2023 - DECEMBER 2023**

The Committee received a report detailing Stage 1 and Stage 2 complaints received by the Council from 01 April 2023 to 31 December 2023.

The following matters were considered:

- a) **Upheld Complaints.** A Member of the Committee raised that a high percentage of complaints were upheld, as set out on page 272 in paragraph 3.9, and asked for clarification as to what type of complaints the Council receive that are typically upheld because the Council is at fault. The Business Assurance Manager responded to inform the Committee that paragraph 3.9 was in relation to the Operational Services Team, so it is likely that complaints are in regard to waste collection. The Business Assurance Manager confirmed that a response would be provided following the meeting, after consulting the Customer Services Manager. A Member of the Committee raised that over the summer a significant number of complaints regarding Garden Waste services were submitted. The Chair noted the comment.
- b) **Statutory Officers.** A Member of the Committee queried how complaints about statutory officers are taken forward and made reference to a similar question being asked by a Member of the Public at Strategy and Resources Committee on the 26<sup>th</sup> of March. The Head of Legal and Monitoring Officer responded to inform the Committee that the process is as set out in the written response provided to the Member of the Public and published as a supplement to the S&R Committee Agenda, publicly available on the Council's website.

Following consideration, the Committee unanimously resolved to:

- (1) Note the contents of the report covering all complaints received by the Council between 01 April 2023 – 31 December 2023.**

**95** ICO AND LGO COMPLAINTS REPORT

The Committee received a report containing information on recent council complaints, including those from the Local Government and Social Care Ombudsman (LGSCO) and the Information Commissioner's Office (ICO).

Following consideration, the Committee unanimously resolved to:

**(1) Note the report.****96** PERFORMANCE AND RISK REPORT - MARCH 2024

The appendix to this report provides an overview of the Council's performance with respect to its 2023-2024 annual plan objectives, key performance indicators, corporate risks, committee risks, and annual governance statement actions.

The following matter was considered:

- a) **Tree Maintenance.** A Member of the Committee asked why Tree Maintenance came under Licensing and Planning Policy Committee instead of Environment Committee. The Business Assurance Manager responded to inform the Committee that there are tree risks listed under Environment Committee also. The Business Assurance Manager confirmed they would provide a response following the meeting, explaining the different areas of responsibilities for LPP Committee and Environment Committee.

Following consideration, the Committee unanimously resolved to:

**(1) Note and comment on the performance and risk information located at Appendix 1.****97** WORK PROGRAMME

The Committee received its annual Work Programme.

The following matters were considered:

- a) **Roof Repair Audit Item.** A Member of the Committee asked about the Roof Repair Audit Item and when it would be presented to the Committee. The Business Assurance Manager confirmed that there is an audit being undertaken on that specific item, and informed the Committee that as soon as the audit has been completed, it will be included in the Internal Audit Progress report produced by SIAP. The Business Assurance Manager informed the Committee that it will likely be presented to the Committee at the July Committee Meeting.
- b) **Scrutiny Items.** A Member of the Committee commented that they would appreciate more proactive encouragement from the Committee regarding

scrutiny items being added to the work programme and future agendas. Another Member echoed the comments. The Chair noted the comments made by Members and informed the Committee that the scrutiny process is being actively looked at and the recent Corporate Peer Review identified a need to improve the Council's scrutiny process. The Member asked for the Chair's view on the scrutiny items suggest. The Chair responded to state that the Committee has a substantial work programme for the upcoming year, and informed the Committee that the items currently listed on the work programme would not all be able to be carried out and delivered in the time frame set out, however Members can suggest scrutiny items for the work programme. The Chair explained to the Committee that the complaints report has been added to the agenda and will remain on future agendas, at the request of the Committee. The Chair informed the Committee that scrutiny items need to be considered on a case-by-case basis with officer workload and involvement in mind.

- c) **Agenda Procedure.** A Member of the Committee read out the procedure for raising a scrutiny item and raised concerns that the procedure was not being adhered to. The Chair noted the comments.

Following consideration, the Committee resolved to;

(4 for, 1 against, and 2 abstaining)

- (1) Note and agree the ongoing Work Programme as presented in Section 2.**

## 98 EXCLUSION OF THE PRESS AND PUBLIC

The Committee resolved (5 for, 2 against, and the Chair not voting) to exclude the Press and Public from the meeting, at 9.16pm, in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended) and that pursuant to paragraph 10 of Part 2 of the said Schedule 12A the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

## 99 REPORT OF THE MONITORING OFFICER

The Committee received a report seeking to report back on the outcome of the Monitoring Officer's review of the situation that led to the need to update the Council's Scheme of Delegation firstly with interim changes in July 2023 and then for completion in December 2023.

The Committee's consideration of this item is recorded in a separate (not for publication) restricted Minute.

Following consideration, the Committee unanimously resolved to:



- (1) Note this report, its observations and recommendations as set out at paragraph 2.19.**

*The meeting began at 7.30pm and ended at 9.32pm*

COUNCILLOR STEVE BRIDGER (CHAIR)

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