

## **AUDIT SCRUTINY COMMITTEE**

**13 FEBRUARY 2025**

Present:

Councillors Morgan (Chair), Thorne, Nuttall and Ryan

Members in Attendance:

Councillors Palethorpe, Parrott and Purser

Apologies:

Councillors Jackman

Officers in Attendance:

Martin Flitcroft, Director of Corporate Services

David Eaton, Head of Neighbourhoods

Christopher Morgan, Trainee Democratic Services Officer

Richard Rainbow, Drainage and Coastal Manager

Rosanna Wilson, Corporate Procurement Officer

Beth Bowers, External Auditor

Barry Morris, External Auditor

Sue Heath, Audit Manager

### **1. APOLOGIES FOR ABSENCE**

It was noted that Councillor Jeffries was no longer a member of the Committee. Councillor Ryan took this vacant seat on the Committee as an Independent Group Member.

### **2. ELECTION OF VICE-CHAIR**

It was proposed by Councillor Morgan and seconded by Councillor Nuttall that Councillor Steemson be elected Vice-Chair of the Audit Scrutiny Committee 2024-2025.

A vote was taken. All were in favour.

Resolved

that Councillor Steemson be elected Vice-Chair of the Audit Scrutiny Committee 2024-2025.

### **3. MINUTES OF THE PREVIOUS MEETING**

It was proposed by Councillor Morgan and seconded by Councillor Steemson that the minutes of the previous meeting be approved as a correct record and signed by the Chair.

A vote was taken. All were in favour.

Resolved.

that the minutes of the previous meeting be approved as a correct record and signed by the Chair.

**4. DECLARATIONS OF INTEREST.**

None.

**5. PUBLIC QUESTIONS (IF ANY)**

None.

**6. MEMBERS QUESTIONS (IF ANY)**

None.

**7. EXTERNAL AUDIT VALUE FOR MONEY REPORT, AUDIT FINDINGS REPORT, AND FINAL AUDIT OPINION UPDATE 2023/24**

The External Auditor introduced the item to the Committee.

The Committee discussed the statutory recommendation as published in the Auditors Annual Report. Comments during the discussion included

- The need for sanctions if the recommendations are to be implemented.
- The White Paper on Standards that is to be debated in Parliament.
- The role of Group Leaders in enforcing the principles of good governance and member behaviour within their groups. Group Leaders could also step out of the room with their group to allow for a pause when needed.
- The range of available sanctions outlined in the report such as moving a motion that the offending member no longer be heard or as a last resort to move that they should leave the meeting.
- Consideration of members questions including the option for the answerer to respond in writing
- The role of the Standards Committee.
- The need to address underlying behavioural issues.

The Committee also considered the separate Audit Findings Report and Disclaimer. It was noted that the disclaimer was partly the result of a disagreement between the Council and Grant Thornton on the funding of SANGs through capital or revenue. It was also noted that as a result of an objection by a member of public, there may be a delay in awarding the Audit Certificate.

However, this would not affect the final deadline of the Audit Opinion. The objector had been verified and there was a third party that authorised any extra fees or spending resulting from the objector.

The Audit Manager would consolidate any ongoing action plans into one cohesive plan.

The Committee noted the Audit Findings Report and Audit Opinion Disclaimer.

It was proposed by Councillor Morgan and seconded by Councillor Nuttall that the Audit Scrutiny Committee recommends the statutory recommendation to Full Council for approval.

A vote was taken. The result was unanimously in favour.

## RECOMMENDED

That Full Council approve the statutory recommendation in the Auditor's Annual Report. The statutory recommendation is as follows:

The Council should:

1. Commission a suitably qualified expert to investigate the underlying causes of member behaviours which contravene the standards set out in the Council's constitution under the members' code of conduct and the member/officer protocol; and which have impacted the Council's reputation and working culture. The Council should then develop an action plan to enable members and officers to address those issues.
2. Adopt a consistent zero-tolerance approach to any swearing; lack of respect for other people attending meetings; or other abusive behaviour towards other members or officers in meetings. This should be done by making full use of the procedural rules set out in the Council's constitution by: Immediately adjourning the meeting; moving a motion that the member concerned be not heard; or moving a motion that the member concerned should leave the meeting.
3. Consider amendments to its constitution to extend those procedural rules to all meetings of committees of the Council and amend the Member Code of Conduct to include an obligation for all members to reinforce standards of behaviour and to support the Chair of the Council and chairs of committees of the Council in their use of procedural rules to ensure proper conduct. Group Leaders should model good behaviour and discipline members of their groups whose behaviour breaches the Code of Conduct and the member/officer protocol.
4. Continue to provide information and support to ensure that members and officers who are subjected to aggressive and abusive behaviour from individual members can, if they wish, submit a written complaint to the Monitoring Officer immediately, so that it can be dealt with under the Council's Standards procedures.
5. Ensure that Group Leaders take responsibility for their members working collaboratively with officers and for their members improving behaviours and relationships.

6. Review membership of the Standards Committee, with only members who have an excellent behavioural track record being eligible to join it. Meetings should then resume. A Governance Committee should be introduced to reinforce the work of the Standards Committee. As with the Standards Committee, members on the Governance Committee must have an unblemished behavioural track record.

Securing good standards and behaviour amongst members will help to strengthen corporate governance and working culture. This in turn should help to create a positive environment from which the Council can build better relationships and address the other issues it faces, such as transacting business as usual and maintaining respect and co-operation around decisions once they have been taken.

## **8. ANNUAL GOVERNANCE STATEMENT**

The Audit Manager introduced the item to the Committee. The changes to the Governance Statement had been made in red and italic text. The Leader and the Managing Director as signatories of the Governance Statement had approved the amendments, and it had also been to the Strategic Leadership Team External Auditors for their views.

It was noted that the role of Audit Scrutiny Committee was to ensure that the content of the AGS was in line with their understanding of the annual governance of the Council.

It was proposed by Councillor Morgan and seconded by Councillor Thorne that the Annual Governance Statement be approved by the Committee.

A vote was taken. All were in approval.

Resolved

That the Annual Governance Statement be approved by the Committee.

## **9. FINAL STATEMENT OF ACCOUNTS 2023/24**

The Chief Financial Officer introduced the item to the Committee.

It was noted that there had been only a few minor changes compared to the draft accounts mainly in relation to the notes to the accounts.

It was proposed by Councillor Morgan and seconded by Councillor Steemson that the Final Statement of Accounts and Letter of Representation be approved.

A vote was taken. All were in favour.

Resolved

That the Final Statement of Accounts and Letter of Representation be approved.

## **10. REVIEW OF CONTRACT PROCEDURAL RULES**

The Executive Member for Corporate Resources was invited to introduce the item to the Committee.

The Corporate Procurement Officer spoke on the key changes as outlined in the report, informing the Committee that the key changes included justifications for waivers exemptions, and that the standstill period has changed from 10 calendar days to 8 working days.

In response to Members' queries, the Corporate Procurement Officer explained that she also provided procurement work for Strata and West Devon/South Hams Councils as alluded to in the key change highlighting the memorandum of understanding, and that the process for finding the balance between price and quality is part of the discussion with the relevant officer and would consider factors such as the level of public use.

It was proposed by Councillor Morgan and seconded by Councillor Nuttall that the Committee recommends to Full Council that the council approves the revised Contract Procedure Rules 2025 to recognise changes to procurement legislation.

A vote was taken. The result was unanimously in favour.

### **RECOMMENDED**

to Full Council that the council approves the revised Contract Procedure Rules 2025 to recognise changes to procurement legislation.

## **11. UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS FROM AN INTERNAL AUDIT OF CAR PARKS**

The Head of Neighbourhoods gave an update on the implementation of recommendations following from an internal Audit of Car Parks. He informed the Committee that all car parks had a risk assessment but they needed reviewing. A standard risk assessment template has been created and will be used. He also discussed the department's progress with collecting Penalty Charge Notices through the use of bailiffs. It was noted that the Traffic Enforcement Centre provided the warrants needed to enforce the notices. Members asked questions regarding the bailiff process and the overall cost to the authority. The Head of Neighbourhoods advised that this was a corporate service and details could be shared with the committee at their next meeting

There was around £197,000 that was owed to the Council. This was from approximately 2500 debtors. The Council could go back to parking violations that had happened in 2019. The Head of Neighbourhoods was meeting with the Car Parking Manager on a regular basis to ensure that the situation was closely monitored. In addition to the PCNs, he updated the committee on the hiring of a

new parking officer and that the department was in process of mapping its priority procedures.

The Head of Neighbourhoods would attend the next Audit Scrutiny Committee meeting and update the Committee on the progress being made.

The Audit Manager would circulate the original internal audit report which highlighted these issues in 2022.

## **12. FINANCIAL INSTRUCTIONS AND CONTRACT RULES WAIVERS**

The Audit Manager introduced the item to the Committee.

The Committee were informed about the reasons for the waivers as set out in the report. In particular, it was highlighted that the work on the infill of the collapsed tunnel had been priority as the cliffs that it ran under were in the proximity of a publicly used car park. This car park had resultingly been closed and extra parking provision provided elsewhere. It was also noted that a specialist company had been hired to provide the works as the works were complicated, and this would ensure the work could be done with a comprehensive framework.

The Audit Manager would circulate the waiver form for the Senior Housing Officer role mentioned in the report to the Committee.

It was proposed by Councillor Morgan and seconded by Councillor Thorne that the Financial Instructions and Contract Rules Waivers be noted by the Committee.

A vote was taken. All were in favour.

Resolved

that the Financial Instructions and Contract Rules Waivers be noted by the Committee.

## **13. INTERNAL AUDIT PROGRESS REPORT**

The Audit Manager introduced the item to the Committee.

It was noted that that the Waste & Recycling and Emergency Planning Audits had been completed and that the postponed Democratic Services Audit was in progress, alongside others shown in the report.

The Committee suggested that past audits of the relevant areas could be included alongside those undertaken as part of the report in order to show previous assurance.

The Audit Manager would email the Committee to further explain the role of the Housing Health and Safety Compliance Officer.

It was proposed by Councillor Morgan and seconded by Councillor Nuttall that the Internal Audit Progress Report be noted by the Committee.

Resolved

that the Internal Audit Progress Report be noted by the Committee.

#### **14. EXCLUSION OF PRESS AND PUBLIC**

It was proposed by Councillor Morgan and seconded by Councillor Nuttall that under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting of items 16 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 7 of Part 1 of Schedule 12A of the Act.

A vote was taken. All were in favour.

Resolved

That the press and public be excluded from the meeting.

#### **15. IPCO (INVESTIGATORY POWERS COMMISSIONER'S OFFICER) INSPECTION REPORT 2025**

The Audit Manager introduced the item to the Committee.

It was noted that this item had resulted from an investigation into the use of RIPA at Teignbridge. These powers had not been used for at least 10 years, however the Council needed to remain compliant in the event it used them in future.

The Committee agreed to note the report.

The meeting commenced at 10.00 am and finished at 12.35 pm.

Chair  
Cllr Sally Morgan

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