

BRIGHTON & HOVE CITY COUNCIL
AUDIT, STANDARDS & GENERAL PURPOSES COMMITTEE

4.00pm 25 JUNE 2024

COUNCIL CHAMBER - BRIGHTON TOWN HALL

MINUTES

Present: Councillor Guilmant (Group Spokesperson), Atkinson, Baghoth, Gauge, Grimshaw, Mackey, Meadows and Shanks

Independent Persons Present: David Bradly

PART ONE

1 PROCEDURAL BUSINESS

1a Appointment of Chair

- 1.1 The Legal Adviser communicated that the Chair was unwell and unable to attend the meeting. As the committee did not have the position of Deputy Chair, it would be necessary to appoint a replacement Chair for the meeting.
- 1.2 Councillor Gauge proposed Councillor Guilmant as Chair.
- 1.3 Councillor Grimshaw seconded the proposal.
- 1.4 The Committee voted in support of the proposal and Councillor Guilmant was appointed as Chair for the meeting.

1b Declarations of substitutes

- 1.5 Councillor Shanks was present as substitute for Councillor West.

1c Declarations of interests

- 1.6 There were none.

1d Exclusion of the press and public

- 1.7 In accordance with Section 100A of the Local Government Act 1972 ("the Act"), the Committee considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the

business to be transacted or the nature of the proceedings, that if members of the public were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

1.8 **RESOLVED** - That the press and public not be excluded from the meeting.

2 MINUTES

2.1 **RESOLVED** – That the minutes of the previous meeting of the Audit and Standards Committee held on 16 April 2024 be approved and signed as the correct record.

3 CHAIR'S COMMUNICATIONS

3.1 The Chair provided the following communications:

“Welcome once again to this meeting of the Council’s Audit, Standards and General Purposes Committee, which I am happy to chair in Councillor West’s absence. This Committee plays a key role in reviewing the Council’s governance arrangements and in providing the oversight, support and challenge needed to ensure that the organisation is run well, and in a way which best serves our city.

You will likely be aware that on 16th May full Council decided to adopt an executive system. As a result of that decision, the terms of reference have been extended to include delegations over and above those carried out by the old Audit & Standards Committee. So as well the audit and standards related functions which form a key part of this Committee’s governance-related delegations, it is now responsible for making recommendations to full Council regarding such matters as proposals made by the Independent Remuneration Panel and suggestions as to how certain parts of the Council’s Constitution might be updated. In addition, this Committee has been charged with performing those non-executive functions that are not specifically delegated to another Committee or Sub Committee of the Council. I am informed that the delegation is framed in a purposefully general way so that this Committee may receive reports on a range of functions that may not be determined by the Executive, or Cabinet. This category of decision includes the adoption of HR policies and the determination of certain rights of way issues. This part of the Committee’s business is expected to preoccupy a relatively low proportion of this Committee’s workload, and information will be provided to members to enable them to engage appropriately with relevant topics as and when the need arises. We will have the opportunity to discuss this in due course, if members decide to call the Constitution Matters Report on the agenda.”

4 CALL OVER

4.1 The Democratic Services officer called the agenda items to the committee. The following items were not called for discussion and were therefore taken to be agreed in accordance with the officer’s recommendation:

- Item 12 – Standards Update

4.2 All other items were called for discussion.

5 PUBLIC INVOLVEMENT

5.1 No public representations were received.

6 MEMBER INVOLVEMENT

6.1 No member representations were received.

7 CONSTITUTIONAL MATTERS

7.1 The Committee considered a report of the Director of Corporate Services that provided members with information on the Committee's terms of reference and related matters, and to seek this Committee's formal approval to the appointment of a Standards Hearings Sub-Committee, an Employment Sub-Committee and (until the specified date) the Personnel Appeals Panel Sub-Committee.

7.2 Councillors Guilmant, Mackey, Meadows, and Shanks asked questions and contributed to the debate of the report.

7.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Note this Committee's terms of reference, as set out in Appendix 1 to this report;
- 2) Formally approve the establishment and membership of three Sub-Committees: the Standards Hearings Sub-Committee, the Employment Sub-Committee, and (until the specified date) the Personnel Appeals Sub-Committee, this in accordance with the terms of reference outlined in Appendix 1; and
- 3) Delegate authority to the Monitoring Officer to make any changes to the Procedure for Dealing with Allegations of Breaches of the Code of Conduct for Members and related documents considered necessary to enact recommendation.

8 EXTERNAL AUDIT PLAN AND INFORMING THE AUDIT RISK ASSESSMENT 2023/24

8.1 The Committee considered the report of the External Auditor that provided members with an overview of the planning scope and timing of the council's statutory external audit for the financial year ending 31 March 2024. The audit plan sets out, for example, the significant risks identified ahead of the main audit work, levels of materiality for the financial statements and the proposed audit fees for 2023/24.

8.2 Councillors Atkinson, Gauge, Guilmant, Meadows, and Shanks asked questions and contributed to the debate of the report.

8.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Notes and considers the documents and notifies the external auditor if there are any additional matters that it considers may also impact on the planned audit work and context for the financial year ending 31 March 2024.
- 2) Notes both the external audit plan and informing the audit risk assessment for 2023/24.
- 3) Approves an increase of the existing accounting policy of a de minimis level of £20,000 for capitalisation of plant, property, and equipment up to £50,000, and authorises the Chief Finance Officer to make necessary changes to the council's accounting policies to reflect the increase.

9 INTERNAL AUDIT ANNUAL REPORT AND OPINION 2023-24

- 9.1 The Committee considered the report of the Director of Corporate Services that provided members with an opinion on Brighton and Hove City Council's control environment for the year from the 1 April 2023 to 31 March 2024 and an update on all internal audit and counter fraud activity completed during quarter 4 (2023/24) including a summary of all key audit findings.
- 9.2 Councillors Gauge, Guilmant, Grimshaw, Meadows, and Shanks asked questions and contributed to the debate of the report.

9.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Note the work undertaken and the performance of Internal Audit in 2023/24 and the resultant annual opinion of the Chief Internal Auditor.
- 2) Note any significant control issues that should be included in the Council's Annual Governance Statement.
- 3) Consider whether the Council's arrangements for internal audit have proved effective during 2023/24.

10 COUNTER FRAUD ANNUAL REPORT 2023-24

- 10.1 The Committee considered the report of the Director of Corporate Services that provided members with an update on all counter fraud activity completed during 2023/24.
- 10.2 Councillors Atkinson, Grimshaw, Mackey, Meadows, and Shanks asked questions and contributed to the debate of the report.

10.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Notes the report, providing members with an update on all counter fraud activity completed during 2023/24.

11 FORMAL APPROVAL OF THE ANNUAL GOVERNANCE STATEMENT 2023-2024

11.1 The Committee considered the report of the Director of Corporate Services that provided members with an Annual Governance Statement (AGS) to report publicly on the extent to which it complies with its own code of governance. The report directly supports the Council Plan Outcome 4: A responsive council with well-run services – Good governance and financial resilience.

11.2 Councillors Atkinson, Grimshaw, and Shanks asked questions and contributed to the debate of the report.

11.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Approve the Annual Governance Statement 2023-2024 in Appendix 1. Once approved, the AGS will be signed by the City Council's Leader and the Chief Executive before publication alongside the City Council's Accounts.

12 STANDARDS UPDATE**12.1 RESOLVED –**

That the Audit, Standards, and General Purposes Committee:

- 1) Note the contents of this report.

13 ITEMS REFERRED FOR COUNCIL

13.1 No items were referred to Full Council for information.

14 ITEMS FOR THE NEXT MEETING

14.1 No items were requested for the next meeting.

The meeting concluded at 5.50pm

Signed

Chair

Dated this

day of