

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

4.00pm 24 JUNE 2025

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor West (Chair) Baghoth, Guilmant, Helliwell, Hewitt and Meadows

Other Members present: Councillors Allen and Taylor

PART ONE

1 PROCEDURAL BUSINESS

1a Declarations of substitutes

1.1 There were none.

1b Declarations of interests

1.2 There were none.

1c Exclusion of the press and public

1.3 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.

1.4 **RESOLVED** - That the public not be excluded from the meeting.

2 MINUTES

2.1 **RESOLVED** – That the minutes of the previous meeting held on 22 April 2025 be approved and signed as the correct record.

3 CHAIR'S COMMUNICATIONS

3.1 The chair provided the following communications:

First of all, I'd like to say welcome to Councillor Hewitt who is a new member of the committee. Just to say what we do here is a bit different to what the Cabinet does and what the old executive committees used to do. Although we have a general purposes element and we do set some policy and it's quite exciting when we do get the opportunity. Mostly speaking our role is one of oversight to make sure that the processes we overlook in the case of audit and member standards are being conducted correctly. We act as a critical friend to the organisation. We all obviously want the Council to succeed, and times are challenging and that becomes none the easier as a result. So our role really is to ask the difficult questions at times as well because we do really need to hear the management and administration's response to what the auditors are finding. This isn't done in a hostile way, it is done in a constructive way. There can be political challenge at times but generally speaking that's what we're trying to do. So it's for all members of the committee to make sure that they feel open and available to asking those questions of the administration so that we can see continual improvement for the organisation.

We have two external audit reports today before us, as well as an internal audit report including the annual opinion. So all of those pertain to 24-25. The external audit reports carry recommendations that the committee might raise additional matters that it considers may impact on the external audit work to come. To better help us inform that opportunity, I've suggested we take the internal audit report first because there will be matters arising out of that which we may then, as members, choose to raise with external auditors. I think the order is important in that, so our first report will be the internal report and then we go to the external reports.

The External Audit findings report is unlikely to be available for our September meeting, and it will be good to discuss this sooner than our January meeting, which is the subsequent meeting, so that the report is able to best inform the budget setting process for 26-27. In order for us to consider the audit findings in a timely way and also to agree the audited statement of accounts that needs to be lodged, as this has to happen before our January meeting is held. It's been suggested and I've agreed that we have an additional meeting, a special meeting, in November so we can best time this. I know the members have now received an invitation, that is the explanation for the reason for doing so.

We're joined today by Councillor Allen, Councillor Allen is the Lead Cabinet Member for Customer Services and Public Realm, which includes council's transformation and improvement work, in attendance today I think specifically to talk through the Annual Governance Statement item. But I'm fully aware there may be other questions that arise that you may wish to help respond to.

We have Councillor Taylor as well, the Cabinet member for Finance and Regeneration, who has specifically requested to be present to be able to speak to the New England House report and again I'm sure there will be other matters you can present before you, you've responded to some of the questions particularly with internal audit. You're very welcome, it's great to see you. We also have the Chief Executive here to introduce that New England House report.

We were due to consider a report this time on Housing Complaints, and this is a new responsibility for the committee. I felt that we actually needed some training before we

considered it. It was a pretty weighty report in unfamiliar territory for myself. So I've asked for that to come to us in September, because there was no particular urgency on that. September will be soon enough, so we'll have that then. Meanwhile, we're promised a briefing from officers to introduce us to what that's all about. We're looking forward to receiving that.

4 CALL OVER

- 4.1 The Democratic Services Officer called the agenda items to the committee. All items were reserved for discussion.

5 PUBLIC INVOLVEMENT

- 5.1 No public representations were received.

6 MEMBER INVOLVEMENT

- 6.1 No member representations were received.

7 EXTERNAL AUDIT PLAN 2024/25

- 7.1 The committee considered the External Audit Report which sets out an overview of the planning scope and timing of the council's statutory external audit for the financial year ending 31 March 2025.

- 7.2 Councillors Hewitt, Meadows, and West asked and contributed to the debate of the report.

7.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee note the external audit plan document, having considered whether to notify 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 2025.

8 INFORMING THE EXTERNAL AUDIT RISK ASSESSMENT 2024/25

- 8.1 The committee considered report Informing the Audit Risk Assessment 2024/25, the report sets out audit queries and the 51 management responses covering general enquires of management, fraud, laws and regulations, related parties, going concern and accounting estimates.

- 8.2 Councillors Guilman and Meadows asked questions and contributed to the debate of the report.

8.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Note the audit risk assessment document.

- 2) Indicates which (if any) additional matters it considers should be notified to the external auditor on the basis that they may also impact on the planned audit work and context for the financial year ending 31 March 2025.

9 INTERNAL AUDIT ANNUAL REPORT AND OPINION 2024-25

- 9.1 The committee considered the Internal Audit Annual Report and Opinion 2024-2025, the report also provides members with an update on all internal audit and counter fraud activity completed during quarter 4 (2024/25), including a summary of all key audit findings.
- 9.2 Councillors Guilmant, Hewitt, Meadows, and West 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 2024/25 and the resultant annual opinion of the Chief Internal Auditor.
- 2) Determined whether there are any matters that the Committee wishes to consider for the inclusion in the Council's Annual Governance Statement.
- 3) Agrees that the Council's arrangements for internal audit proved effective during 2024/25.

10 COUNTER FRAUD ANNUAL REPORT 2024-25

- 10.1 The committee considered the Counter Fraud Annual Report 2024-25, report provides members with an update on all counter fraud activity completed during 2024/25.
- 10.2 Councillors Baghoth, Helliwell, Hewitt, and West asked questions and contributed to the debate of the report.

10.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee note the fraud activity completed during 1st April 2024 to 31st March 2025.

11 NEW ENGLAND HOUSE CLOSURE: RESPONSE TO INTERNAL AUDIT

- 11.1 The committee considered the Internal Audit response to the New England House Closure, the report sets out the findings of a lessons learned exercise undertaken by the council's Internal Audit team into the sudden temporary closure of New England House (NEH) in November 2024 for fire safety reasons, and the events leading up to that and to the subsequent closure of the building while long term options were reviewed.

- 11.2 Councillors Hewitt, Meadows, and West asked questions and contributed to the debate of the report.

11.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee:

- 1) Notes the Internal Audit report as set out at Appendix 1 of the report.
- 2) Notes the recommendations for action as set out in paragraphs 3.10 and 3.13 of the report setting how the city council, as a learning organisation, are responding and applying lessons learned.
- 3) Agrees to officers bringing a report to a future meeting of Audit, Standards and General Purposes Committee, six months from the date of this meeting, to update on progress in implementing lessons and actions from the Lessons Learned report.

12 FORMAL APPROVAL OF THE ANNUAL GOVERNANCE STATEMENT 2024-2025

- 12.1 The committee considered the Formal approval of the Annual Governance Statement 2024-2025, the council is required to conduct a review of its system of internal control and prepare an Annual Governance Statement to report publicly on the extent to which it complies with its own code of governance.

- 12.2 Councillors Hewitt, Meadows and West asked questions and contributed to the debate of the report.

12.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee approve the Annual Governance Statement 2024-2025 as set out in Appendix 1 of the report. 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.

13 STANDARDS UPDATE

- 13.1 The committee considered the Standards Update report, to provide a quarterly update, both on complaints received in alleging that Members have breached the Council's Code of Conduct for Members and on related matters.

- 13.2 Councillors Baghoth, Helliwell, and West asked questions and contributed to the debate of the report.

13.3 RESOLVED –

That the Audit, Standards, and General Purposes Committee note this report.

14 ITEMS REFERRED FOR COUNCIL

- 14.1 No items were referred to Full Council for information.

15 ITEMS FOR THE NEXT MEETING

15.1 No items were requested for the next meeting.

The meeting concluded at 6.50pm

Signed

Chair

Dated this

day of