



Minutes of the Meeting of the Audit & Governance Committee

Council Chamber, Bollington Town Hall
At 10.00am on Wednesday 25th August 2021

Those Present:

Members with voting rights:

The Town Mayor Cllr Johanna Maitland

Cllrs: Ken Edwards (KE), Roland Edwards (RE), James Nicholas (JN) and Judy Snowball (JS).

Town Clerk: Julie Mason

Chair: Cllr Johanna Maitland

Public: None

AG11/21 To receive and approve apologies for absence: Nil

AG12/21 To receive any declarations of Interest: There were none.

AG13/21 To receive and confirm the Minutes of the meeting held 27/01/21.

The Committee **RESOLVED** to approve the minutes as a correct record.

It was noted there were no matters raised from the minutes.

AG14/21 To review the financial risk assessment to including procurement fraud.

The members discussed the point raised about procurement fraud by the internal auditor as the risk assessment does not address the risks of supplier fraud. Most standard local council policies do not cover supplier fraud. The supplier fraud risks can be managed via appropriately robust policies and procedures.

It was **RESOLVED** the following points would be added to the risk assessment.

1. training for appropriate staff to alert them to the potential risks of providing sensitive company information, by phone or other means, especially contract and account information.
2. establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change
3. periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments.

4. by checking address and financial health details with Companies House
5. every quarter the A & G committee should check a sample of online payments to supplier invoices to ensure the payment has been made to the supplier bank account.

AG15/21 To receive Motor Insurance schedule for the Town Council van
The insurance was with Zurich and had been auto renewed.
It was **resolved** to accept the motor insurance policy subject to the RFO gaining three quotes before the renewal date next year.

AG16/21 To review services of the Internal Auditor for 2022/23

The process was discussed, and it was agreed the change would not be advisable in the next financial year.

Resolved JDH Services Ltd would be appointed for 2022/23.

Part B

The Town Mayor asked the meeting to take the response to the Risks from not following the Councils Recruitment Policy in 'Part B' under Standing Orders 3d. - Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.

The Committee **RESOLVED** to take this item in Part B for the following reason:
There was concern that the discussion may lead to sensitive matters in relation with staff.

It had been agreed at the last meeting Cllr RE, Cllr JS and Cllr S Knowles would investigate the report. The mayor noted due to work commitments Cllr SK had not been involved in the process.

The committee discussed the findings of Cllr RE and Cllr JS after investigations.

Risk: Council policy not being followed. Governance and reputational risk. Public challenge due to the lack of clarity/transparency

Full Council had resolved to engage with CHALC to recruit a new Town Clerk at the X October Council meeting on which superseded the Recruitment Policy of BTC. It was noted no opposing advice had been given from the Town Clerk. The Committee thought that the staff should have had no participation in the recruitment of the new Town Clerk and the recruitment policy should be reviewed by the P & A Committee.

CHALC disputed the fact the advert had not been placed on the website (it was supported as there had been applicants from Cheshire West) and stated that an email had been sent to all Clerks on the 24/02/21 to advertise the post. The Committee acknowledged that 37 applications had been received and were from all over Cheshire so evidence they had advertised in the correct sector.

Risk: Employee being misled, and subsequent Grievance being issued as wrong job advertised.

CHALC disputed this as it had been initially wrong but immediately corrected after a day and the new job description without RFO was advertised. The candidate was aware of her role and job description upon taking the post.

Risk: Superseding decisions taken during a committee meeting with a discussion with members and subsequent email is not regular practice and could risk be being challenged.

Risk: The workplace pension should not be used as something that can be given up in order to obtain a higher salary. It is a legal requirement for the Council to provide a workplace pension and the.gov website page on workplace pensions clearly states that.

Full Council agreed at full Council the band was LC2 (29-32) and the new Town Clerk was appointed within this salary band and the pension was not used as a negotiation tool. The salary was a negotiated within the approved boundaries. The Clerk was offered the pension as proper practice.

The current Clerk was appointed on the market rate for the position, and it was common to reevaluate roles before recruitment. There was no risk to the Council to change the SCP level and hours for the new role.

Data Sharing and breaches of GDPR

The Council had not deviated from GDPR guidelines as they were in a third-party agreement with CHALC. The privacy statement was available on both the CHALC website and the BTC website. BTC have no legal requirement to use a monitoring form although it was agreed it was best practice and this would be referred to the EDI working group. It was recommended to use the ACAS website for advice.

The Committee **RESOLVED** to recommend to full council that the P & A committee had caused no financial risk to BTC.

AG17/21 Date of the Next meeting: 08/12/21 at 10.00am