

LICENSING, AUDIT AND GENERAL PURPOSES COMMITTEE

Meeting held on Monday, 25th November, 2019 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr J.E. Woolley (Chairman)
Cllr S.J. Masterson (Vice-Chairman)

Cllr J.B. Canty
Cllr A.K. Chowdhury
Cllr Veronica Graham-Green
Cllr Christine Guinness
Cllr A.J. Halstead
Cllr L. Jeffers
Cllr P.F. Rust
Cllr Jacqui Vosper

19. **MINUTES**

The Minutes of the meeting held on 16th October, 2019 were approved and signed by the Chairman.

20. **STATEMENT OF ACCOUNTS 2018/19 - UPDATE 2**

The Committee received the Executive Head of Finance's Report No. FIN1933 which informed Members of audit progress for the Council's Statement of Accounts for 2018/19 since the Committee meeting held on 23rd September, 2019.

The Committee was reminded that the statutory deadline for issuing a final set of audit statement of accounts and audit opinion of 31st July, 2019 had not been met, and noted that the Council was one of 208 public bodies (Councils, Fire and Rescue, Police and other local government bodies) which had not received an auditor opinion by the deadline. The delay in the opinion being issued continued to be mainly due to material changes in the valuation of the depot in Lysons Avenue in Ash Vale and the impact of the McCloud judgement on the Council's pension fund liability.

The Committee had received an External Audit Progress Report prepared by the auditors which set out a revised timetable for the completion of the audit and provision by them of the audit opinion. These were now scheduled to be considered at the next Committee meeting on 27th January, 2020.

RESOLVED: That

- (i) the Executive Head of Finance's Report No. FIN1933 be noted; and

- (ii) the Chief Executive, in consultation with the Chairman of the Licensing, Audit and General Purposes Committee, write a letter to the external auditors expressing the Council's disappointment with the delayed audit opinion and seeking reassurances that there would be no such delays for future audit opinions.

21. **TREASURY MANAGEMENT MID-YEAR REPORT**

The Committee received the Executive Head of Finance's Report No. FIN1931 which set out the main activities of the Treasury Management and non-Treasury Investment Operations during the first half of 2019/20, and noted that prudential indicators for the 2019/20 financial year had been updated for all treasury management and non-treasury activity during the first half of 2019/20.

The Committee was advised that the report was a statutory requirement under the CIPFA Code of Practice on Treasury Management. It was noted that the restructuring of the investment portfolio during 2018/19 had improved diversification of funds and increased the yield on all treasury management investments by £188,000 from 2018/19.

Members were advised that the treasury team continually reviewed the borrowing strategy, weighing up interest rate levels and risk of refinancing. During the 2019/20 financial year, short-term interest rates had remained low and were forecast to remain low. However, borrowing levels had increased, raising refinancing risk. To mitigate, a proportion of borrowing had been moved to one- and two-year durations.

In respect of total borrowing, at 30th September, 2019 this was £84.3m, an increase of £23.1m from the 2018/19 year-end position. Year-end borrowing was forecast to be £116m below estimated levels due to timing of investment property purchases. It was noted that the lower level of borrowing had resulted in forecast interest cost on borrowing reducing by £270,000.

The Committee noted that the Council was forecast to have non-treasury investments risk exposure of £125.4m of which £82.2m was funded via external loans, whilst the return of non-treasury investments was forecast to be below estimated return for 2019/20 due to the cost associated with commercial property being clarified during the financial year.

RESOLVED: That the Executive Head of Finance's Report No. FIN1931 be noted.

22. **INTERNAL AUDIT UPDATE**

The Committee considered the Audit Manager's Report No. AUD1908 which gave an overview of the work completed by Internal Audit for Quarter 2 (including the work slipped from Quarter 1), an update on progress made on expected deliverables for Quarter 3, and a schedule of work expected to be delivered in Quarter 4.

The Committee was advised that, whilst there were some delays in the work expected to have been completed in Quarter 2, all had started and were due to finish within the timescales stated.

RESOLVED: That:

- (i) the audit work carried out in Quarter 2 be noted;
- (ii) the update to expected deliverables for Quarter 3 be noted; and
- (iii) the expected deliverables for Quarter 4 be endorsed.

23. ANNUAL GOVERNANCE STATEMENT - UPDATE

The Committee received the Audit Manager's Report No. AUD1909 which described the work carried out to date to ensure the achievement of the actions detailed within the Annual Governance Statement (AGS).

It was noted that the Council was required by the Accounts and Audit Regulations 2015 to prepare and publish an AGS, and the provision of a mid-year update on the work being carried out towards the implementation of the actions detailed within the AGS was new, and aimed to highlight areas where target dates had been amended. The Committee was advised that, whilst target dates for some actions had been extended, most of the actions would still be on target to be completed by the end of the financial year. A further update would be provided to the Committee at its meeting in March 2020.

RESOLVED: That the work currently being carried out towards the implementation of the actions detailed within the Council's Annual Governance Statement be noted.

24. LOCAL GOVERNMENT OMBUDSMAN COMPLAINTS REPORT

The Committee received the Head of Customer Experience's Report No. CE0119 which provided an annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about Rushmoor Borough Council.

The Committee was advised that individual complaints about councils escalated to the LGO were reviewed by that body to ascertain if the correct decisions were made or reasonable measures had been taken to mitigate future issues. It was noted that Rushmoor had no complaints (0%) upheld during the reporting period of 1st April, 2018 to 31st March, 2019, compared to an average of 43% in similar authorities.

The Committee wished its appreciation of the Council's ongoing commitment to customer experience to be recorded.

RESOLVED: That the annual summary of statistics on the complaints made to the Local Government Ombudsman about Rushmoor Borough Council be noted.

25. **DATA PROTECTION POLICY AND DATA PROTECTION OFFICER APPOINTMENT**

The Committee received the Corporate Manager – Legal Services’ Report No. LSIG1911 which sought approval to the Council’s draft Data Protection Policy and sought approval to give delegated authority to the Corporate Manager – Legal Services to keep the Data Protection Policy under review and to update it as required.

It was noted that the Data Protection Policy formed part of the Information Governance Framework and its purpose was to explain the Council’s approach to ensuring compliance with the Data Protection legislation by staff, Members and customers, when personal data was collected, processed and stored.

RESOLVED: That

- (i) the draft Data Protection Policy be approved; and
- (ii) the Corporate Manager – Legal Services be given delegated authority to keep the Data Protection Policy under review and to update it as required.

The meeting closed at 8.05 pm.

CHAIRMAN
