

# GOVERNANCE AND AUDIT COMMITTEE

## 10 JULY 2018

*Present:-* Councillor Fox (Chair), Councillor Chuah, Councillor Davidson, Councillor Higgins and Councillor Willetts

*Substitutes:-* Councillor Scordis for Councillor Whitehead  
Councillor J Maclean for Councillor F Maclean

### **114. Minutes of Previous Meeting**

*RESOLVED* that the minutes of the meeting held on 5 June 2018 was confirmed as a correct record.

### **115. Annual Statement of Accounts 2017/18**

Steve Heath, Finance Manager, introduced the Annual Statement of Accounts 2017/18 report. The report requests that the Committee accept the audit results report for the year ending 31 March 2018, note the comments in the covering report and approve the letter of representation and the audited Statement of Accounts.

Kevin Suter, Ernst and Young, informed the Committee that the Council had less time to prepare it's statements this year, with the deadline being July. Kevin Suter confirmed that the auditors were confident that this would be completed before the deadline, as Colchester Borough Council had previously submitted their accounts to this date. Kevin Suter confirmed that there were very few items to bring to the attention of the Committee and the accounts were of good quality.

Kevin Suter also confirmed that since the report had been written and submitted all outstanding items in the audit had been completed and that there were no indications of management override, or any further work required. The Committee were informed that the auditors plan to give an unqualified conclusion on the arrangements. Kevin Suter highlighted to the Committee that the auditors are independent of the Council.

In response to a query from a Committee member regarding how Colchester Borough Council compares to other authorities of a similar size in terms of potential interest rates and pension deficits, Kevin Suter confirmed that Colchester compares similarly, however it is difficult to make a direct comparison. Kevin Suter stated that there are no concerns in accordance with the statement of accounts and that Ernst and Young would be reporting at the end of the month to Essex County Council about the Pension Fund.

A further query was raised around valuation of property and equipment, particularly the important historical assets in Colchester. Steve Heath, informed the Committee that in note 15, page 55 of the statement of the accounts, there are separate accounting policies for the civic regalia and roman treasure exhibits. The exhibits and civic regalia are revalued every

five years to ensure that they remain up to date. This is based on insurance valuations as it is not cost effective to provide detailed revaluations. With regard to the Castle, this is not recognised in the accounts as it is not possible to provide a value to it. Steve Heath also highlighted that there is further detailed information on this on page 60 within the Statement of Accounts.

A further question was asked regarding the insurance of heritage properties and exhibits and Steve Heath informed the Committee that a response would be provided by Officers after the meeting.

In response to a question regarding the adjustment in the pension fund, Kevin Suter confirmed that whilst the share was slightly bigger than the materiality this was not a cause for concern. Kevin Suter stated that the auditors take a view from the pension fund outturn and the pension fund as a whole.

With regard to the group accounts, a member of the Committee questioned why the North Essex Garden Communities and Colchester Commercial Holdings Companies were not included. In response Kevin Suter stated that the Council made the decision not to include the companies in the statement of accounts due to materiality. Including the companies in the accounts would not have made a material difference to the figures and a note 40 on page 125 of the statement of accounts includes additional information on this. Going forward the Council will need to continue to monitor the situation.

Committee members thanked the auditors for the report, the work over the past few years and wished them all the best for the future as this was the last year of the current contract.

**RESOLVED** that:

- a) The Audit Results report for the year ending 31 March 2018 be accepted.
- b) That comments in the covering report be noted.
- c) The letter of representation be noted.
- d) The audited Statement of Accounts be approved.

## **116. Review of Meetings and Ways of Working – Digital Agendas Update**

Richard Clifford, Democratic Services Officer, introduced the Review of Meetings and Ways of Working report. The report requests that the Committee note the progress on the use of digital agendas in Committee meetings as well as the cost of improving presentation facilities in the Grand Jury Room and Council Chamber. The report also requests that the Committee consider recommending to Council that where appropriate facilities exists, meetings are conducted using digital technology to access agendas and that Council assess the implications of using digital technology in the Council Chamber. This includes considering whether the facilities in the Chamber should be improved to provide power sockets and USB ports.

Richard Clifford explained that this report forms part of the Review of Meetings and Ways of Working project that started in 2016. This report provides an update on the progress of the digital agendas trial, which was conducted at the end of the previous municipal year and suggests the next steps for increasing the use of digital technology in Committee meetings.

It was highlighted that to date the Governance and Audit Committee had held four digital meetings, and the Scrutiny Panel had held a total of six. In addition, since the new municipal year the Cabinet, Policy Review Panel and Revolving Investment Fund

Committee have all conducted meetings using digital technology to access agendas. No significant difficulties had been experienced and the meetings had all concluded successfully. Prior to the trial commencing Councillors were invited to attend a training session on how to access digital agendas through their devices. Since then training has continued on an individual basis as and when required.

Committee members were informed that during the trial Councillors were generally happy to use their own personal devices to access agendas. Any Councillor who did not have access to suitable device and was a member of a Committee that was part of a trial, was loaned the necessary equipment. In total five devices were provided to Councillors and it is anticipated that, if digital devices were deemed the default method for accessing agendas for all Committees, a further ten more devices would be required.

It was highlighted stated that whilst a power solution has been provided for the Grand Jury Room, more significant work would be required for the Council Chamber as the provision of "power towers" would not be viable in the Chamber. Investigations have taken place on how best to provide a solution, it is estimated that it would cost £12.5k and it would take approximately four weeks for the work to be completed.

The Committee welcomed the digital agenda update report and agreed with the move towards using digital technology to access agendas in meetings. Whilst there is a learning process for using digital agendas it reduces the cost of printing at a time when the budget is also being reduced and prevents the waste of paper. Members noted the success of the trial as well as the fact that other authorities also use digital agendas.

A member of the Committee highlighted the need to ensure that Councillors and visitors all use the most up to date agenda pack particularly when urgent items are added to the agenda, as this can change the page numbers for those in attendance. Richard Clifford confirmed that going forward, Democratic Services Officers would ensure visitors were provided with the most up to date digital agenda pack. With regard to Councillors the MyCMIS application provides an automatic update facility ensuring that the latest version of the agenda has been downloaded.

The Committee also discussed the difficulty in using devices in the Council Chamber due to the design of the desks and space available. Members agreed that, whilst Councillors should aim to bring a charged device, the installation of power sources in the Council Chamber would be beneficial. It was suggested that prior to any investment in power sockets, a wider review of the Council Chamber for digital agendas be conducted. This should also look at accessibility issues as well as issues relating to the suitability of the room for the use of digital agendas. Whilst this may increase the cost it was felt necessary as the current set up is not particularly comfortable when using digital technology. A full review of the Council Chamber could also look at electronic voting and look at other possible improvements, providing a range of options to be considered by Members. Investigation would be made to see whether the current desks in the Council Chamber could be opened to assist with using digital devices.

A Committee member raised a query as to whether using digital agendas across all Committees would provide savings due to a reduction in delivery costs. Richard Clifford confirmed that the current delivery system is provided as part of the hall keeping team and is currently included as part of the running costs for that team. Further research would be required to assess the cost of this service and the possible saving that might be achieved.

Further queries were raised with regard to whether there were safe locations to leave devices at the Town Hall and whether personal devices would be covered by the Council's insurance if damaged or stolen on Council property. Richard Clifford stated that further information on both of these issues could be provided to Committee members following discussions with the relevant Officers.

With regard to the improvement of presentation facilities in the Grand Jury Room and Council Chamber, a member of the Committee questioned whether projectors would be suitable, as an alternative to televisions. In response Richard Clifford stated that projectors would not be as flexible or reliable as using televisions.

In response to a question regarding the current printing budget and cost of devices, Richard Clifford informed the Committee that the budget for this financial year is £4,800, reduced from £15,000 in the previous year. The increased use in digital agendas for Committee meetings has already seen a significant reduction in printing budget costs. With regard to the cost of devices, the ten estimated devices would cost between £3k and £4k. These devices are provided on a loan basis and once returned they would be wiped and redistributed.

*RESOLVED* that;

- a) That the progress on the use of digital agendas in Committee meetings be noted.
- b) To RECOMMEND to Council that where appropriate facilities exist, meetings are conducted using digital technology to access agendas.
- c) To RECOMMEND that Council assess the implications of using digital technology to access agendas in the Council Chamber and that a review of the facilities in the Council Chamber, including their accessibility and their suitability for the use of digital agendas, should be undertaken.
- d) The cost of improving presentation facilities in the Grand Jury Room and Council Chamber be noted.

## **117. Work Programme 2018-19**

Jonathan Baker, Democratic Services Officer, introduced the Governance and Audit Committee work programme. The report requests that the Committee note the contents of the work programme for 2018-19.

Jonathan Baker highlighted that the October meeting had a significant number of items on the agenda and that an additional meeting may be required during November.

A member of the Committee suggested looking at the security of the Town Hall and whether an update could be provided at a future Committee meeting.

*RESOLVED* that the Work Programme 2018-19 be noted.