

Governance and Audit Committee Meeting

**Grand Jury Room, Town Hall, High Street,
Colchester, CO1 1PJ
Tuesday, 28 March 2023 at 18:00**

The Governance and Audit Committee considers and approves the Council's Statement of Accounts and reviews the Council's annual audit letter. The Committee also deals with the Council's governance, risk management and audit arrangements. To make recommendations to the Council on functions such as Elections and bye laws, and determine Community Governance Reviews.

Information for Members of the Public

Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

Have Your Say!

The Council welcomes contributions and representations from members of the public at most public meetings. If you would like to speak at a meeting and need to find out more, please refer to the Have Your Say! arrangements here: <http://www.colchester.gov.uk/haveyoursay>.

Audio Recording, Mobile phones and other devices

The Council audio records public meetings for live broadcast over the internet and the recordings are available to listen to afterwards on the Council's website. Audio recording, photography and filming of meetings by members of the public is also welcomed. Phones, tablets, laptops, cameras and other devices can be used at all meetings of the Council so long as this doesn't cause a disturbance. It is not permitted to use voice or camera flash functions and devices must be set to silent. Councillors can use devices to receive messages, to access meeting papers and information via the internet. Looking at or posting on social media by Committee members is at the discretion of the Chairman / Mayor who may choose to require all devices to be switched off at any time.

Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document please take it to the Library and Community Hub, Colchester Central Library, using the contact details below and we will try to provide a reading service, translation or other formats you may need.

Facilities

Toilets with lift access, if required, are on each floor of the Town Hall. A water dispenser is available on the first floor.

Evacuation Procedures

Evacuate the building using the nearest available exit. Make your way to the assembly area in the car park in St Runwald Street behind the Town Hall. Do not re-enter the building until the Town Hall staff advise you that it is safe to do so.

Library and Community Hub, Colchester Central Library, 21 Trinity Square,

Governance and Audit Committee - Terms of Reference (but not limited to)

Accounts and Audit

To consider and approve the Council's Statement of Accounts and the Council's financial accounts, and review the Council's external auditor's annual audit letter.

Governance

To consider the findings of the annual review of governance including the effectiveness of the system of internal audit and approve the signing of the Annual Governance Statement.

To have an overview of the Council's control arrangements including risk management and in particular with regard to the annual audit plan and work programme, and to approve the policies contained in the Council's Ethical Governance Framework.

Other regulatory matters

To make recommendations to Council on functions such as elections, the name and status of areas and individuals, and byelaws.

To determine and approve Community Governance Reviews.

Standards in relation to Member Conduct

To consider reports from the Monitoring Officer on the effectiveness of the Members' Code of Conduct, and to advise the Council on the adoption or revision of the Code.

To receive referrals from the Monitoring Officer into allegations of misconduct and to create a Hearings Sub-Committee to hear and determine complaints about Members and Co-opted Members referred to it by the Monitoring Officer.

To conduct hearings on behalf of the Parish and Town Councils and to make recommendation to Parish and Town Councils on improving standards or actions following a finding of a failure by a Parish or Town Councillor.

To inform Council and the Chief Executive of relevant issues arising from the determination of Code of Conduct complaints.

To grant dispensations, and to hear and determine appeals against refusal to grant dispensations by the Monitoring Officer.

To make recommendations to Council regarding the appointment of Independent Persons.

General

To review of the Constitution including governance issues around formal meetings, processes and member training and to make recommendations to Council.

**COLCHESTER CITY COUNCIL
Governance and Audit Committee
Tuesday, 28 March 2023 at 18:00**

The Governance and Audit Committee Members are:

Councillor Paul Smith	Chair
Councillor Chris Pearson	Deputy Chair
Councillor Dave Harris	
Councillor Sam McCarthy	
Councillor Sara Naylor	
Councillor Rhys Smithson	
Councillor Barbara Wood	

The Governance and Audit Committee Substitute Members are:

All members of the Council who are not Cabinet members or members of this Panel.

**AGENDA
THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING
(Part A - open to the public)**

Please note that Agenda items 1 to 6 are normally dealt with briefly.

1 Welcome and Announcements

The Chairman will welcome members of the public and Councillors and remind everyone to use microphones at all times when they are speaking. The Chairman will also explain action in the event of an emergency, mobile phones switched to silent, audio-recording of the meeting. Councillors who are members of the committee will introduce themselves.

2 Substitutions

Councillors will be asked to say if they are attending on behalf of a Committee member who is absent.

3 Urgent Items

The Chairman will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

4 Declarations of Interest

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or participating in any vote upon the item, or any other registerable interest or non-registerable interest.

5 Minutes of Previous Meeting

The Councillors will be invited to confirm that the minutes of the meeting held on 17 January 2023 are a correct record, including the minutes published in Part B of this agenda.

Draft Governance and Audit minutes - 17 January 2023 public copy 7 - 8

6 Have Your Say! (Hybrid Council meetings)

Members of the public may make representations to the meeting. This can be made either in person at the meeting, or by joining the meeting remotely and addressing the Committee via Zoom. Each representation may be no longer than three minutes. Members of the public wishing to address the Committee remotely may register their wish to address the meeting by e-mailing democratic.services@colchester.gov.uk by 12.00 noon on the working day before the meeting date. In addition, a written copy of the representation will need to be supplied for use in the event of unforeseen technical difficulties preventing participation at the meeting itself.

There is no requirement to pre-register for those attending the meeting in person.

Exclusion of the Public (not Scrutiny or Executive)

In accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

Part B
(not open to the public including the press)

7 Chartered Institute of Public Finance and Accountancy Review of Colchester Commercial (Holdings) Limited companies

- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).

Exempt minutes from 17 January 2023

- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).

GOVERNANCE AND AUDIT COMMITTEE

17 January 2023

Present:- Councillor Paul Smith (Chair)
Councillor Dave Harris, Councillor Sam McCarthy,
Councillor Chris Pearson

Substitutions: Councillor William Sunnucks for Councillor Barbara Wood
Councillor Dennis Willetts for Councillor Sara Naylor

Also Present:- Councillor Martyn Warnes, Councillor Leigh Tate*,
Councillor David King, Councillor Adam Fox, Councillor
Andrea Luxford Vaughan*

*attended remotely

348. Minutes of the previous meeting

The Committee noted that there had been two typographical errors in the minutes, the misspelling of the word 'arrests' and 'Turnstone Estates'. A Committee member requested that they be specifically named in the minutes of the meeting of the Committee of 7 December 2022, demonstrating that they had requested the draft statement of accounts be circulated to the Committee.

RESOLVED that: the minutes of the meeting of the Committee of 22 November 2022 be confirmed as an accurate record, subject to the correction of two typographical errors.

349. Have Your Say!

A written representation had been sent to the Councillor Smith as the Chair of the Committee from Nick Chilvers, and Councillor Smith accordingly read this representation to the Committee which stated:

"Dear Cllr Smith.

You'll be aware of general queries I've raised about Colchester Holdings Ltd which I understand have been referred to your Governance committee.

To Joe Public, including Nick Chilvers, It's all a bit of a mystery.

I'll be perfectly happy with an officer verbal answer at the meeting. No need for long written replies. If it engenders some debate all well and good. If not never mind but it might quell some doubts and even enlighten some Councillors, let alone the public..

A few simple business questions:

So we have these holding companies- Why?

What are the financial and operational advantages compared with the old way of doing things?

Are they delivering?

Tell us about the range of services that the trading Company supplies.

Explain what the Energy company actually does. Could/should it be contracted out?

How much more have they contributed to CBC coffers compared to the old system?

Who do the executives and staff work for?

Does any crossover between CBC and CHL cause difficulties?

Is there enough expertise at Director and Board level to manage such a diverse portfolio?

Is there a risk that these enterprises get all the attention and the bread and butter stuff gets sidelined?

Is there a need, if CBC is treading this path, to work harder at explaining the alleged benefits of this structure to the public?.

It'll be interesting to see if any of these points are picked up by the committee. (or maybe they already know all the answers)

Kindly put these up for response.

Feel free to quote this.

Thanks,

Nick Chilvers."

Councillor Smith, as Chair of the Committee, noted that the questions that had been asked would likely form the subject of the discussion of the Committee at the meeting, however, given the confidential nature of the discussion, this was not something which would be able to be shared with Mr Chilvers. The Chair had already explained this to Mr Chilvers, who was in contact with his Ward Councillors.

A Committee member thought that many of the questions which had been posed by Mr Chilvers concerned information which was already in the public domain, and suggested that these questions could be answered during the public session of the next appropriate meeting of the Committee, in order to preserve transparency as much as possible.