

Minutes of a Meeting of the Audit and Governance Committee held in the Hub, Mareham Road, Horncastle, Lincolnshire LN9 6PH on Wednesday, 27th September, 2023 at 10.15 am.

## PRESENT

Councillor Rosalind Jackson (Chairman)  
Councillor Jill Makinson-Sanders (Vice-Chairman)

Councillors Stef Bristow, Danny Brookes, Will Grover, Thomas Kemp and Edward Mossop.

Councillor James Knowles attended the Meeting as an Observer.

Mr Walter Leschenko attended the Meeting as an Independent Co-Optee

## GUESTS IN ATTENDANCE:

Councillor Richard Fry - Portfolio Holder for Finance

## OFFICERS IN ATTENDANCE:

Christine Marshall	- Section 151 Officer (Remote)
John Medler	- Assistant Director, Governance and Monitoring Officer
Samantha Knowles	- Chief Finance Officer, PSPS Limited
Suzanne Rolfe	- Group Manager – Insights and Transformation (Remote)
Matthew Waller	- Internal Audit Manager, Assurance Lincolnshire (Remote)
Martin Gibbs	- Head of Procurement and Contracts
Rebecca James	- Scrutiny and Policy Officer
Elaine Speed	- Senior Democratic Services Officer and Civic Officer
Lynda Eastwood	- Democratic Services Officer

## **20. APOLOGIES FOR ABSENCE:**

No apologies for absence were received.

## **21. DISCLOSURE OF INTERESTS (IF ANY):**

Members were invited to declare any relevant interests.

Walter Leschenko, Independent Co-opted Member asked it be noted that he would be leaving the Meeting for Item No.15.

## **22. MINUTES:**

The Open and Exempt Minutes of the Meeting held on 5 July 2023 were agreed as a correct record.

**23. ACTION SHEET:**

Members were referred to the Action Sheet, pages 15 to 18 of the Supplementary Agenda refer.

Members noted that the actions from previous meetings were confirmed as completed or in hand as follows:

An update to Action No. 18 was provided to Members and a copy of this is attached at Appendix A to the Minutes.

Matthew Waller, Internal Audit Manager, Assurance Lincolnshire advised Members that in relation to Action No. 10, he expected that the dates for completion relating to all of the outstanding recommendations would be raised at the Senior Leadership Team Meeting in October for a resolution, following which the updated information would be reported to November's Committee Meeting

In relation to Action No. 45(c) a query was made whether a review on the progress would be undertaken and if this would be included in the next quarterly update. The Internal Audit Manager advised Members that actions raised from audits were tracked and any overdue actions from the S106 Agreement Audit would be reported to Committee in the usual manner.

The Chief Finance Officer, PSPS Limited advised Members that she would send an email communication updating on Action Nos 45(a) and 45(b) outstanding from the Meeting held on 1 February 2023 by the end of the week.

**24. CHAIRMAN'S UPDATE:**

Councillor Ros Jackson, Chairman of the Audit and Governance Committee provided Members with an update as follows:

Public Sector Audit Appointments (PSAA) had a useful website with details of the Consultation on the proposed 2023/24 Scale of Audit Fees. The consultation was due to close on 10 October 2023. Following which, the new fees would be set from 1 December 2023.

The Chairman advised Members that negotiation with the external auditors had taken place with a proposed increase of 151%, resulting in a cost to ELDC of £139, 067. A Member strongly considered it was important to monitor the performance of the external auditors and highlighted the importance of being allocated an experienced auditor to attend meetings rather than a graduate. It was further considered that that a penalty should be added to the contract for non-performance as in previous contracts there was no recourse for this.

Further to a webinar attended by the Chairman, Members were advised that high bids following the procurement exercise were due to a number of factors, including fewer auditors than in the past, problems in the private sector, high profile corporate failures and new audit requirements imposed by government including value for money arrangements.

Members were further advised that the government was working to reduce the current audit backlog and this could impact on the audit scale fee. The PSAA was asking the Department for Levelling Up, Housing and Communities (DLUHC) for additional money due to the large increase in fees.

The Chairman advised Members that she and Councillor Jill Makinson-Sanders (Vice-Chairman) had attended an informal session with the Chairmen and Vice-Chairmen from Boston Borough Council and South Holland District Council to discuss collaboration and the work of the three committees across the Partnership and the difference in each Council's Constitution. A discussion had also taken place with regards to the review of the effectiveness of Audit and Governance Committee.

The Vice-Chairman added that there would be opportunities for training sessions to be shared across the three councils.

The Chairman stated that if any Members wished to put their observations forward, she would liaise with the Section 151 Officer for feedback to be put into a response to the PSAA consultation.

## **25. Q1 TREASURY MANAGEMENT UPDATE 2023/24:**

The Chief Finance Officer, PSPS Limited presented Members with the Quarter 1 Treasury Management Update 2023/24, pages 1-26 of the Agenda refer, attached at Appendix A.

Members were informed that the purpose of the report was to provide the Committee with an update on Treasury Management Performance and activity to ensure best practice was maintained.

Key information was highlighted as follows:

- The Council's 2023/24 net budget for investment income was £3.071m. At the end of June 2023 investment income earned was estimated to be approximately £1.062m, which was £298k above the profiled budget on a straight-line basis. This figure is still an estimate as the actual returns on all property funds to June 2023 are not likely to be known until late September 2023, Paragraph 2.4 of the Agenda refers.
- The average level of funds available for investment purposes during the first quarter of the financial year was £74.3m excluding property fund investments, Paragraph 2.5 of the Agenda refers.

- Property fund investments were estimated to have achieved an average net rate of 4.14%, Paragraph 2.7 of the Agenda refers.
- The outturn for investment income for 2023/24 was forecast to be £4.492m which would be £1.421m above budget. This would be monitored on a monthly basis to reflect changing market conditions, Paragraph 2.9 of the Agenda refers.
- Further to the Economic Update (Commentary by Link Group), pages 11 to 12 of the Agenda refer, the Monetary Policy Committee had met and the bank interest rate was to remain at 5.25%.

Members were invited to put their comments and questions forward.

A Member referred to a recent training session held for Members that included treasury management and stated that the Council appeared to adopt a safe and prudent approach towards this. A query was raised whether there was anything on the investment horizon that may be of concern to the Council. The Chief Finance Officer responded that she was not aware of anything and assured Members that investments were under constant review with the Link Group. Changes to investments that fell outside of the Council's approved Treasury Strategy would require Full Council to approve a change in the Strategy.

A Member referred to the General Fund Capital Expenditure 2023/24 Table, page 25 of the Agenda refers. Particular reference was made to the large increases to the budgets in relation to Disabled Facilities Grants, Environmental Services Vehicle Requirements and Climate Change Projects. The Chief Finance Officer explained that the increase for the Climate Change Projects was approved after the budget was set, therefore it was a timing matter. With regards to the other two items highlighted, this would be investigated and reported back to Committee.

The Vice-Chairman highlighted the 3G Football Pitch Project and queried whether it would be possible to get more details on the schemes so Members were better informed. The Chief Finance Officer explained that the General Fund Capital Expenditure was to identify how the capital programme impacted on the Council's investments available and was reported as part of the quarterly outturn report presented to Executive Board where there was greater detail.

No further comments or questions were received.

Following which, it was

**RESOLVED:**

That the Q1 Treasury Management Update 2023/24 report be noted.

**26. Q1 RISK MANAGEMENT POSITION:**

Suzanne Rolfe, Group Manager – Insights and Transformation presented Members with the Q1 Risk Management Report which set out the Q1 position for risk management as at 30 June 2023. A copy of the Q1 Strategic Risk Register was attached at Appendix A to the report, pages 33 to 40 of the Agenda refer.

Members were advised that a Risk Management Policy had been drafted for the Partnership. This would be reviewed by Senior Leadership Team and Portfolio Holders in the first instance. It would then come to Audit & Governance Committee for comment prior to Executive Board and then to Council for approval. The aim was to bring this to the November meeting of Committee with Quarter 2 reporting.

It was highlighted that two new risks had been identified across the Partnership relating to the implementation of the Environment Act and the introduction of Extended Producer Responsibility. These replaced the risk shown in the last report for Quarter 4 in July 2023 which had incorrect wording and had now been corrected and split into two risks, as set out in Appendix A.

Members were advised that items identified at Audit and Governance Committee and Overview Committee were being reviewed for reporting in Quarter 2, Paragraphs 2.3 and 2.4 of the Agenda refer and that a Partnership risk register was also currently in development.

Members were invited to put their comments and questions forward.

A Member queried what the route was if Members were aware of any risks not being addressed. The Group Manager – Insights and Transformation advised the Member to contact her in the first instance.

Further to a query raised, the Group Manager – Insights and Transformation confirmed that she hoped to bring the revised risk management policy to the November Meeting.

A Member referred to CORP002 'Uncertainty of future Linchshore flood defence scheme', page 33 of the Agenda refers. It was highlighted that the impact consequences and wording seemed to evolve around the impact on economic growth, whilst there were other impacts to consider of equal importance, for example the threat to infrastructure, local services and housing and it was queried whether this was mentioned elsewhere.

The Chairman referred to Risk No. 19 'Implementation of the Environment Act' and Risk No. 20 'Introduction of Extended Producer Responsibility (EPR)', page 37 of the Agenda refers. It was highlighted that the government had made recent announcements that the EPR would be delayed by a year and other factors would affect the Environment Act that would create uncertainty and queried whether this would impact the way that the risk

register was mitigated. The Group Manager – Insights and Transformation responded that the uncertainty was already quite high, therefore covered in the mitigation and advised Members that officers were involved in monitoring this and had responded to relevant consultations, however the risk register was currently being reviewed for Q2 which would take into account any further uncertainties since 30 June 2023.

A Member referred to CORP003 'Business continuity and recovery in the event of a major incident or event', page 34 of the Agenda refers. It was highlighted that there was a lot of narrative regarding the mitigating actions, however would like to see a target date included for the update of the plans.

The Group Manager – Insights and Transformation advised Members that she would pick up the points raised and report back to Committee.

## **27. DRAFT PROCUREMENT STRATEGY:**

Martin Gibbs, Head of Procurement and Contracts delivered a presentation regarding the proposed Procurement Strategy for East Lindsey 2023 to 2026.

Members were advised that the draft strategy had been taken to all three councils across the Partnership and through the relevant scrutiny committees at each council with positive feedback and some suggested minor amendments made to the strategy document.

A copy of the presentation is attached at Appendix B to the Minutes.

Members were invited to put their comments and questions forward.

A Member asked for clarification whether the Council had previously had a procurement strategy in place. The Head of Procurement and Contracts advised that the Council had previously had a joint procurement strategy with Lincolnshire County Council.

A Member highlighted declarations of interest for those involved with contracts and the need for transparency and openness in the decision-making process. The Head of Procurement and Contracts concurred with this and advised as part of the process, if any person had a connection with a supplier they would be immediately be removed from the process. The Monitoring Officer clarified that to give Members further assurance with regards to declarations of interest, this was covered under the Contract Procedure Rules in the Council's Constitution and the Officer Code of Conduct.

A Member referred to the reference to local suppliers and savings across the Partnership and queried whether there were any quantifiable amounts, either as a percentage or as a figure where savings could be made. The Head of Procurement and Contracts advised Members that a target was being worked on that would come through as part of the transformation plan purely on contract savings, for example an award was about to be made for a contract

on a joint procurement process for mobile phones, looking at a saving circa £250k.

It was further queried as the procurement process was being scrutinised across the three councils whether there was any differential between it or whether the councils were in agreement in terms of how procurement was viewed across the Partnership. The Head of Procurement and Contracts advised Members that all three councils had had the same ethos and approach to the strategy and considered that it had been well received, with all three documents being the same with the exception of each council's corporate priorities.

A Member queried whether the team was adequately resourced to monitor the large number of contracts involved.

The Head of Procurement and Contracts advised Members that he had a team of seven and believed that the resource in place could effectively manage and monitor the contracts. Members were advised that there were financial thresholds within the contract procedure rules, so anything above £40k was where procurement would definitely get involved as this would involve a request for a quotation or an invitation to tender. It was highlighted that it was important to establish a relationship with the client officers at the councils early in the process so the procurement team could advise accordingly to get the best value for money solution.

With regards to income generation, the Head of Procurement and Contracts highlighted that he was looking to see if he could bring in other councils to make savings moving forward, however at any time if it looked like this would become a risk this would be pulled from the strategy.

The Chairman referred to the draft Procurement Strategy where it stated that it sought to adopt a more commercial approach when reviewing contracts, page 48 of the Agenda refers, although this appeared to be the opposite direction to what government and opposition were thinking about and there was more of a drive to make councils think about security before yield. The Head of Procurement and Contracts advised Members that this would be reflected in the procurement strategy.

The Head of Procurement and Contracts confirmed that there was an exemptions process in place that was much more rigorous and scrutinised than before.

A Member queried whether the strategy covered contract management and considered that the activity of this was just as important than the front end of buying and that the suppliers were meeting their service level agreements and targets. The Head of Procurement and Contracts confirmed that a contract management process was in place and the strategy did delve into the contracts.

Further to a query in relation to performance metrics, the next stage of the strategy and information on targets the Head of Procurement and Contracts advised Members that the next steps would be looking to use a tool called Microsoft Power BI which would be publishing a forward plan onto the websites and would hopefully be in place in April 2024. This would assist in moving away from reactive procurement to a more proactive approach. With regards to engagement, it was important to work and have a good relationship with client officers who had the knowledge of their service and its requirements.

Members were advised that the procurement team had been in place and operational for approximately six months and was improving day by day. It was hoped that more work could be undertaken with the 'big hitters', for example the Facilities Team, the IT Team and the Properties Team across the Partnership who engaged in a lot of procurement and were meeting with them regularly to set plans in place.

A Member queried whether a trigger was in place that alerted the procurement team to a new contract and further queried whether procurement was undertaken for the Council's 'at arm's length' companies, for example Magna Vitae. The Head of Procurement and Contracts advised Members that there were financial thresholds within the contract procedure rules, and for example for anything above £40k the Team would be involved. It was further confirmed that the team did not provide a procurement contract service for Magna Vitae and was purely for the three councils. However, the team had seen within the spend that the Council was spending money on behalf of MV for gym equipment, for example. Therefore, to be compliant if this was to happen again it would have to be purchased through the procurement contract service.

A Member commented that there was a small paragraph relating to value for money at Paragraph 5.1, page 51 of the Agenda refers and queried whether this would be expanded on and where. The Head of Procurement and Contracts responded that his recommendation would be to keep the document as it was with regards to added value and highlighted the action plan which would underpin this and an annual update would reflect this.

The Head of Procurement and Contracts advised Members that he was happy to provide an update to the appropriate Council Committee in twelve months' time on how the strategy was progressing and what had been achieved during that time.

## **28. PROCUREMENT EXEMPTIONS REGISTER:**

Martin Gibbs, Head of Procurement and Contracts referred Members to a copy of the Exemptions Register, pages 57 to 60 of the Agenda refer.

Members were invited to put their comments and questions forward.



A Member thanked the Head of Procurement and Contracts for providing the information and stated that he would not like to see the list get too long.

Members were advised that since April 2023, the Council had signed off five exemptions. The exemption process had been followed each time and the form initially reviewed by the Head of Procurement and Contracts or the Procurement Team. It was then sent to the Section 151 Officer, the Chief Executive, the Portfolio Holder for Finance and the Portfolio Holder for the relevant service area for approval.

The Head of Procurement and Contracts provided further information for two areas highlighted as follows:

Regulatory (Building Control) – Interim Building Control Surveyors to cover vacancies in the ELDC Building Control Team, page 58 of the Agenda refers.

The Head of Procurement and Contracts advised Members that the Council had lost two members of the team in quick succession, and whilst going out to recruitment needed someone in to fill the post and noting that it was a post that was hard to recruit to. Initially the Council went through a direct award framework which was a procurement compliant route with a company to get a building control surveyor in post. However, this was unsuccessful in sourcing a suitable person into the role. This contract terminated without any payment being made, and a number of other agencies were market tested and two people were resourced from G2 Recruitment and British Resourcing Group. If a procurement process had been undertaken to get someone into the post there would have been a four to six-month gap with no surveyors in place which would have caused a real issue.

Growth – Interim Delivery Consultant to deliver Levelling Up Funding (LUF) Projects (x two entries), page 59 of the Agenda refer.

The Head of Procurement and Contracts advised Members that there had been a large delay in getting the funding in and then a further 9 to 10-month delay for work to start on the projects. There was no resource in-house to do this amongst all the other projects that were ongoing. Market testing was undertaken and an interview process, whereby an appointment was made employed on a consultant basis to 'hit the ground running'.

A Member thanked the Head of Procurement and Contracts for the detail provided stating that it was interesting to see the history of the situation and whether any lessons could be learned.

A Member referred to the internal control and monitoring and queried where the information was held and if it was separate for each council or on one database. The Head of Procurement and Contracts advised Members that the exemptions register was a separate spreadsheet and due to the very small numbers was not on a database. All exemptions are added to the register and would remain on until it was either approved and fully signed off or alternatively rejected. The Procurement and Contracts Team had a system

where the details of 300 plus contracts were retained, and triggered review dates, following which contact would be made with the client council officer.

A Member asked for assurance that the person employed from Heritage Lincolnshire in relation to the LUF project had the relevant qualifications and experience to carry out the role.

The Head of Procurement and Contracts responded that he would take the query away and provide a response for Members.

*N.B. Matthew Waller, Head of Internal Audit, Assurance Lincolnshire and Samantha Knowles, Chief Finance Officer, PSPS Limited left the Meeting at 11.27am.*

## **29. INTERNAL AUDIT REPORT - LESSONS LEARNT CONCERNING THE CREATION OF AND EARLY OPERATION OF INVEST EAST LINDSEY:**

Matthew Waller, Internal Audit Manager, Assurance Lincolnshire presented the Internal Audit Report - Lessons learnt concerning the creation of and early operation of Invest East Lindsey, pages 61 to 96 of the Agenda refers and Members were asked to consider the report and associated action plan.

Members were advised that the Council asked Assurance Lincolnshire to review the set up and governance arrangements for Invest East Lindsey Limited. They approached the review with a strong emphasis on governance, including effective decision-making process and set up of the company. The outcome of this audit was designed to improve the Council's governance arrangements going forward.

The completion of this audit had been significantly delayed due to factors within the Audit team, meaning some of the findings were out of date and recommended actions were already completed. They were kept in for transparency and management comments had been added in green boxes to show progress and clarify the current position where relevant. Due to the delay, interim findings were provided to the Council, enabling work to start on those areas of focus.

Rebecca James, Scrutiny and Policy Officer advised Members that following the interim feedback already received, fifteen of the actions had been completed and the outstanding items were due to be completed by December 2023.

Appendix A summarised the findings within the Executive Summary Section, pages 68 to 79 of the Agenda refer. These were also summarised into an action plan which can be found at Appendix B, pages 19 to 28 of the Supplementary Agenda refer. It was noted by the audit team that due to the interim feedback given during the review and the delay in reporting the final audit outcomes, some of the recommendations had already been actioned. This was highlighted throughout the report in the 'management comments,' which were all contained within green text boxes to make them easy to find.

The Internal Audit Manager drew Members' attention to Paragraph 1.6, page 69 of the Agenda refers as a key statement.

The Internal Audit Manager stated that he was happy to share some examples from the action plan where the detail was to address the issues that had been raised.

The Chairman invited Councillor Richard Fry, Portfolio Holder for Finance and Chairman of the Invest East Lindsey Supervisory Board to address the Committee.

Councillor Fry thanked the Internal Audit Manager for the very valuable report and stated that from his perspective and the positions he held that he accepted the conclusions that had been drawn and was happy for the suggested improvements to be adopted and would commit to the process going forward.

Following which, Members were invited to put their comments and questions forward.

A Member queried why a Director's Handbook had not been completed during the four years the company had been trading, Paragraph 1.22 of the report refers. In response, the Scrutiny and Policy Officer advised Members that directors received training and copies of all of the relevant company documents and the business plans, however it was not collated into a single document. However, comments received had been taken on board and a handbook was being developed.

A concern was raised relating to the single appointment of a director which was legal, but not considered sufficient for such a large investment. In response, the Scrutiny and Policy Officer advised Members that this was due to the timing of setting up the company and the requirement for it to go live on 1 January 2020 to allow trading at Kingfisher Caravan Park. Within a couple of months more appointments had been made and board meetings, followed by the shareholder supervisory board meetings commenced.

Members were advised that a scrutiny panel had just started on Invest East Lindsey with a focus on Kingfisher Caravan Park and panel members had been provided with the timeline of how the company was created.

Further to the information contained within Paragraph 1.23, a query was raised whether a whistleblowing policy was in place and considered it important for a clear policy to be in place if there were any issues with the stakeholders or directors. In response, the Monitoring Officer advised that he would take this away to see how this fitted into the current whistleblowing arrangements that the Council had in place.

A comment was received in relation to Paragraph 1.25 with regards to best practice and providing an annual report on the company and queried whether

Internal Audit considered that an annual report was not sufficient. In response, the Scrutiny and Policy Officer acknowledged that best practice had not been followed, however more was now being done and this was reflected in the action plan.

A Member raised further concerns in relation to Paragraph 1.26 that the Council may have been 'drip fed' information that they needed at the time and no more as it had already been acknowledged that the business plan was not as robust as it needed to be and the initial activity of the company related to Kingfisher Caravan Park only. It was further highlighted that based on very limited information it appeared that certain things were approved before the company actually existed. In response, the Scrutiny and Policy Officer confirmed that decisions were not being made in 2018 but discussions had been undertaken and a process was followed, however as had highlighted in the audit this was not as robust as it could have been.

A Member commented that she was pleased to see the sole signatory issue had been addressed, Paragraph 1.35 refers and highlighted as a priority that this must never happen again. In response, the Scrutiny and Policy Officer advised Members that although it was a sole signatory on the account the payment had to be authorised by other directors.

A Member expressed her concern that should the Council wish to explore future company models, it was very important that this report and the lessons learned be used as this provided the perfect template of areas that needed to be considered.

A Member added that this was a good example where pre-decision scrutiny could have been used in a more effective way and felt the management response had not reflected this opportunity for the future.

A Member referred to the Shareholder Supervisory Board, Paragraph 1.24 refers and queried whether this had the full Membership of four elected Members. It was confirmed that there were three Members currently.

The Internal Audit Manager thanked Members for their comments and advised that decision making across the Council was included in the audit plan for 2023 so Members would get further assurance around a number of the elements picked up on.

A Member agreed with comments received, however asked for assurance that this was not going to be a case of lessons learned and the report forgotten and whether this was going to be embedded in a mechanism for future business cases for Partnerships. A secondary point was made in relation to whether IT support and procurement support could have been made available at an early stage of the company being set up to support its implementation.

A Member referred to the Committee's terms of reference and highlighted that it referred to the Council's financial controls and internal controls but did not refer to partnership arrangements and asked if this could be updated for

future reference. The Scrutiny and Policy Officer referred Members to Action No. 25, pages 24 to 25 of the Supplementary Agenda refer which should address this moving forward. A Member added that the annual update in line with the company's review of its governance documents should be added to the Committee's work programme.

A Member stated that the Invest East Lindsey report should be presented to Council as it was highlighted that as being part of Audit and Governance Committee Minutes, Council would not give it sufficient consideration. It was further highlighted that there was very little information on the website relating to Invest East Lindsey and requested that this be reviewed as a matter of importance, not only as the Council faced its public but also that an element of the money made from the company was of benefit to the public. In response, the Monitoring Officer advised Members that he would take this away to review with the relevant people to see if the information could be made clearer or to signpost. In terms of the Committee minutes, it was highlighted that the purpose of them being presented to Council was that Members were kept abreast of the points raised by the Committee and it provided the opportunity for all Members to ask questions to the Chairman of the Committee and raise any points.

No further comments or questions were received.

The Chairman thanked the Internal Audit Manager for a very thorough report.

Following which, it was

RESOLVED:

That the Internal Audit Report – 'Lessons learnt concerning the creation of and early operation of Invest East Lindsey' be noted.

*N.B. Councillor Richard Fry, Portfolio Holder for Finance left the Meeting at 12.07pm.*

### **30. CONSTITUTION WORKING PARTY:**

John Medler, Assistant Director, Governance and Monitoring Officer presented Members with a report to consider the appointment of Members to the Constitution Working Party, pages 87 to 100 of the Agenda refer. The working party supported the Audit and Governance Committee to undertake its Terms of Reference (ToRs) with regards to monitoring and reviewing the operation of the Council's Constitution to ensure that the aims and principles were given full effect, taking account of advice from the Monitoring Officer.

Members noted that the three Members appointed to the working party prior to the district elections in May 2023 were Councillors Ros Jackson, Jill Makinson-Sanders and Will Grover. All three Members were re-appointed to the Audit and Governance Committee post the district elections, following

which it was proposed and seconded that Councillors Ros Jackson, Jill Makinson-Sanders and Will Grover remain appointed to the working party.

In response to questions Members were informed that the ToRs of the Working Party allowed three members.

Following a discussion, the Monitoring Officer advised that if any Member of the Council wished to input or raise constitutional matters they were welcome to do so. It was further clarified that the membership had to be from the three main political groups. Although there was no specific requirement for this, it had been previous practice for the Chairman and Vice-Chairman to be appointed to the working party.

A Member queried whether the ToRs could be changed to allow for four members. The Monitoring Officer responded that Members' thoughts on any changes should be presented to the Constitution Working Group.

Upon being put to the vote, it was

RESOLVED:

That Councillors Ros Jackson, Jill Makinson-Sanders and Will Grover be appointed to the Constitution Working Group.

### **31. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME 2023/24:**

Members were presented with the Audit & Governance Committee Work Programme 2023/24, pages 101 to 104 of the Agenda refer.

A Member queried whether the Review of the Effectiveness of the Audit and Governance Committee would be presented to Committee before the Annual Audit and Governance Committee Report 2022/23. The Chairman explained that this was not possible due to timings but confirmed that this would be added as a training element to the work programme.

The Chairman highlighted the following to be added to the work programme:

- An annual update on Invest East Lindsey.
- The Section 106 Audit Review (November 2023 or January 2024)

Following which it was,

RESOLVED:

That the Work Programme 2023/24 be noted.

### **32. DATE OF NEXT MEETING:**

The date of the next Meeting was confirmed as Wednesday 22 November 2023.

*N.B. Walter Leschenko, Independent Co-Opted Member left the Meeting at 12.16pm.*

**33. EXCLUSION OF THE PUBLIC AND PRESS:**

RESOLVED:

That under Section 100 (a)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item on the grounds that, if they were present, there could be disclosed to them exempt information as defined at paragraphs 1 and 2, Part 1 of Schedule 12A to the Act (as amended).

**34. CO-OPTED INDEPENDENT MEMBERS ON THE AUDIT AND GOVERNANCE COMMITTEE:**

An exempt report was submitted by the Monitoring Officer which enabled Members to consider the recruitment and appointment of Co-opted Independent Members to the Audit and Governance Committee, pages 105 to 104 of the Agenda refer.

RESOLVED:

That the Recommendations contained within the exempt minute be agreed.

The meeting closed at 12.31 pm.