

**PUBLIC QUESTIONS AND ANSWERS TO  
AUDIT AND GOVERNANCE COMMITTEE  
19 MARCH 2019**

Question 1

Mrs E Morawiecka, Breinton

£4.9million has been spent on professional fees in respect of the South Wye Transport Package (SWTP) when only £2.75million has been authorised by councillors to be spent on such fees. The SWAP review of capital spending on the SWTP was expected to come to the Audit & Governance meeting on two previous occasions. This matter has been deferred again, now due to the Strategic Capital Finance Manager saying that the “project was not at a point on its journey where it could be used to test compliance with the actions put in place following Blueschool House” The project is nearly 5 years old and 20% spent out, having already cost £6.9million. At what point in the lifetime of a capital project should compliance testing could be done so as to minimise financial risk?

Response

The council does not normally carry out 100% compliance testing as it places reliance on internal systems and processes. the council adopts a risk based approach to how it decides how best to deploy its internal audit resources so this means that for capital projects that cover a number of years it is likely that a number of elements of a project are examined by internal audit during the life of a project rather than a one off compliance test as mentioned in the question.

The Audit and Governance Committee approves the internal audit plan. On today’s agenda the committee is asked to approve next year’s plan.

Supplementary question

The project started in 2014 and by now well over £6m spent out and from the answer it indicates that a number of the elements of the project have already been examined by internal audit and checked for compliance. In view of that what was the outcome of these checks and why haven’t these checks been reported to this committee today?

Supplementary response

A written reply will be provided within 10 days.

Written response

The council uses a number of systems and processes to manage expenditure and commitments, these systems and processes are used for the South Wye Transport Package as well as other revenue and capital projects. The council gains assurance that these systems and processes are followed in a number of ways. Assurance as to the compliance with these systems and processes is provided by internal audit. The Council’s internal auditors follow an agreed plan of audits the plan is presented annually to the Audit and

Governance committee, and the committee receives regular reports of the findings of these audits. The plan and update reports are available on the council's website.

## Question 2

Ms J Tonge, Hereford

After a number of years there is still no audit certificate for the Council's accounts for the year 2016/17. As the Council is handing public money when can we the public expect to receive a report as to why the audit certificate has been withheld for so long?

## Response

There is an item on today's agenda that deals with the issue of the Council's External auditors issuing the completion certificate.

## Supplementary question

When can we the public, especially those who are unable to attend today, and those who have to go back to work, expect to receive a written report as it is nearly 3 years late and its public money. When will it be available to us?

## Supplementary response

A written reply will be provided within 10 days.

## Written response

The agenda, reports and minutes of the Audit and Governance committee are published on the council's website along with audio recordings of the meetings, this enables people who are unable to attend meetings to follow the issues considered by the committee and to follow the committee's deliberations. The issue of the completion certificate was debated by the committee and it was recognised that at this point it is not possible to give an exact date when the matter will be resolved, however the committee agreed to the issue if it has not been resolved in the mean time being discussed at its next meeting.

## Question 3

Mr R Stow, Rowlestone

In *Taylor v Honiton Town Council* [2016] EWHC 3307 (Admin), Mr Justice Edis considered the intention of Parliament in s 28 of the Localism Act 2011. He held that it was to be inferred from s 28(8) "that Parliament considered that the role of the Independent Person was of real importance" [29]. He also held that the duty to involve Independent Persons in decision-making was an "important safeguard" [33].

With respect to conduct complaints regarding members of Herefordshire Council, Herefordshire Council's officers are not independent and will not be perceived by the public as impartial.

Given the need to maintain public trust in councillors and local democracy, why does the

Audit & Governance Committee allow Herefordshire Council officers to reject conduct complaints against Herefordshire Councillors, acting without any consultation of the Independent Person?

Response

The council's arrangements for dealing with code of conduct complaints involves an initial assessment process to decide whether to accept or reject a complaint. This process is undertaken by council officers and it does provide the safeguard that the officer may seek the views of the independent person. This procedure is seen as a reasonable way to triage complaints when they are first received and provides the safeguard of involving the independent person. The Localism Act does not require the independent person to be involved at this stage but this council holds the independent check and balance that the role of the Independent person can provide as invaluable as did Mr Justice Edis in the case quoted and added this additional safeguard into our own arrangements.

When the standards panel met on 13 November 2019, they reviewed all 14 complaints rejected at the initial assessment, without the views of the independent person, and were satisfied that the approach for seeking the independent person's views was appropriate. Overall the conclusion of the panel was that the arrangements for dealing with code of conduct complaints are appropriate and consistency applied.