

**AUDIT COMMITTEE  
MINUTES**

Date: Tuesday, 4 February 2025

Time: 6.00pm

Place: Council Chamber - Daneshill House, Danestrete

**Present:** Councillors: Carolina Veres (Chair), Tom Plater (Vice-Chair),  
Lloyd Briscoe, Robert Boyle, Lynda Guy and Ceara Roopchand

**Start / End** Start Time: 6.00pm  
**Time:** End Time: 6.35pm

**1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors Phil Bibby, Mason Humberstone, Anne Wells and Tom Wren.

There were no declarations of interest.

**2 MINUTES OF PREVIOUS MEETING**

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 27 November 2024 be approved as a correct record and signed by the Chair.

**3 SHARED INTERNAL AUDIT SERVICE - PROGRESS REPORT**

The SIAS Client Audit Manager presented a progress report with regard to the SIAS Internal Audit Plan 2024/25 (up to 17 January 2025).

The SIAS Client Audit Manager advised that 68% of the 2024/25 Internal Audit Plan days had been delivered. The Committee was advised that a number of final reports had been issued with the majority receiving a substantial assurance level.

It was noted that three new medium priority recommendations had been added from audits of Property Statutory Compliance Checks and Data Breach Incidents and Response.

The SIAS Client Audit Manager advised that there were currently no risks to the delivery of a robust annual assurance opinion.

In response to a question, the SIAS Client Audit Manager advised that he was confident in SBC's methodology for managing risks which were "owned" by SBC Managers. The role of SIAS was to provide independent assurance around the controls and risk mitigation to help the Council meet its objectives.

It was **RESOLVED:**

- 1 That the SIAS Internal Audit progress report be noted.
- 2 That the status of Critical and High Priority Recommendations be noted.

4 **ANNUAL TREASURY MANAGEMENT STRATEGY INCLUDING PRUDENTIAL INDICATORS 2024/25**

The Assistant Director (Finance) presented a report in respect of the Annual Treasury Management Strategy including Prudential Code Indicators for 2025/26.

The Assistant Director (Finance) outlined the following points:

- The HRA Budget had been agreed at the Council meeting in January 2025;
- There were no proposed changes to the 2025/26 Strategy which would cover the two main areas of Capital and Treasury Management;
- There had been no breaches of the 2024/25 treasury counter party limits with the investment activity during the year conforming to the approved Treasury Management Strategy;
- The Council would be asked to approve the Capital Financing Requirement (CFR) projections;
- The Council's borrowing requirements were in line with the CFR and it was noted that the Council could also borrow from the PWLB but the balance of external and internal borrowing was generally driven by market conditions but would be regularly reviewed and if necessary revised to achieve optimum value;
- Details of the Annual Investment Strategy were included in Appendix A to the report.

In response to a number of questions, the Assistant Director Finance advised:

- that the Council's policy on borrowing and lending could include other local authorities but this was something that had only been done occasionally and would require due diligence to be undertaken prior to entering into financial agreements. All final decisions would be made by the S151 Officer based on the current money markets;
- Treasury advisors would give the Council advice on what institutions would meet the current investment criteria;
- Financial details relating to Queensway would be monitored by Members at cabinet and Overview and Scrutiny Committee through the regular Revenue and Capital Outturn reports;
- Although discussions were ongoing regarding the Governments proposals for devolution and Local Government Reform, it would be business as usual for the Council until any decisions were made relating to Hertfordshire;
- In relation to investment companies, the Council would not invest in any institution officers were not comfortable with. The Assistant Director agreed to provide a fully detailed written response regarding socially responsible investing.

It was **RESOLVED** that the 2025/26 Treasury management Strategy be

recommended to Council for approval.

## **CONTRACT PROCUREMENT RULES**

The Committee received an update on the revision to the Council's Contract Standing Orders, now known as Contract Procedure Rules.

The Corporate Procurement Manager advised the meeting of the following proposed changes to the Contract procedure Rules:

- Changing the name to Contract Procedure Rules;
- Increasing the threshold for all bands;
- Updating the rules to reflect the Procurement Act 2023 which would become law on 24 February 2025;
- Changing the internal direction regarding the use of a direct award under a Framework agreement
- Increasing the direction given to officers in regard to pre procurement market engagement and contract management to reflect their increased importance.

In response to a question, the Corporate Procurement Manager advised that the Contract Procurement rules would be reviewed every 3 years. She also advised that at least one quotation for contracts would be requested from a local Stevenage or Hertfordshire company if they are a suitable provider to ask to quote and that for larger contracts the social value provided within the tenders would be considered as part of the evaluation process. Information would also be requested from any company tendering for contracts relating to the safeguards put in place to address modern slavery where this could be a risk in that industry.

It was **RESOLVED** that the Contract Procedure Rules be recommended to Council for approval.

## **6 URGENT PART 1 BUSINESS**

There was no Urgent Part 1 Business.

## **7 EXCLUSION OF PUBLIC AND PRESS**

It was **RESOLVED**:

1. That, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as described in paragraphs 1 to 7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.

2. That having considered the reasons for the following item being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

## **8 INTERNAL AUDIT PLAN 2024/25 - PROGRESS REPORT**

The Committee received a Part 2 progress report in respect of outstanding High priority recommendations.

It was **RESOLVED** that the update be noted.

9 **URGENT PART II BUSINESS**

There was no Urgent Part 2 business.

**CHAIR**