

Brighton & Hove City Council

Audit & Standards Committee

4.00pm 29 November 2022

Council Chamber, Hove Town Hall

Minutes

Present: Councillor Wilkinson (Chair) Hugh-Jones (Group Spokesperson), Atkinson, Meadows, Shanks, West and Yates

Other Members present: Councillors

Part One

16 PROCEDURAL BUSINESS

16a Declarations of substitutes

16.1 There were none.

16b Declarations of interests

16.2 Helen Aston declared a pecuniary interest as a member of the Executive Board of the Pensions Regulator and would not take part in any matters relating to those issues.

16c Exclusion of the press and public

16.3 In accordance with Section 100A of the Local Government Act 1972 ("the Act"), the Committee considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the business to be transacted or the nature of the proceedings, that if members of the public were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

16.4 **Resolved** - That the press and public not be excluded.

17 MINUTES

17.1 **Resolved** – That the minutes of the previous meeting held on 28 June 2022 be approved as the correct record.

18 CHAIR'S COMMUNICATIONS

18.1 The Chair provided the following communications:

“I wish to begin by paying tribute to the late Cllr Garry Peltzer Dunn who sat on this committee. Since becoming a councillor in 2019 I quickly came to realise what a true gentleman Garry was and a shining example of how to conduct oneself as a public servant. He treated councillors of all parties and none, officers and residents alike with respect and courtesy, and he worked tirelessly for his local residents and in service of the city for half a century. This committee and the council will certainly miss him.

Garry regularly showed how to debate agreeably with colleagues both inside this chamber and on that point I would like to remind members that the role of the Audit & Standards Committee is different from that of a policy Committee. Our focus is on proper governance, transparency and financial accountability. We should therefore focus on the facts as presented before us and avoid unnecessary, highly political or over-personalised rhetoric.

In hoping everybody will agree that this is the proper way to proceed, I wish to acknowledge the contribution made by all members of this committee in carrying out its key governance role at this time of continued pressures and challenges, and the demands that that places on us all”.

19 CALL OVER

19.1 The following items on the agenda were reserved for discussion:

- Item 23: Audited Statement of Accounts 2021-22
- Item 24: Internal Audit & Counter Fraud Quarter 1 Progress Report 2022/23
- Item 25: Internal Audit & Counter Fraud Quarter 2 Progress Report 2022/23
- Item 27: Standards Update

19.2 The Democratic Services Officer confirmed that the items listed above had been reserved for discussion and that the following reports on the agenda with the recommendations therein had been approved and adopted:

- Item 22: Audit Findings Report 2021-22
- Item 26: Anti-Fraud and Corruption Strategy Framework 2022-24

20 PUBLIC INVOLVEMENT

No items were received from members of the public.

21 MEMBER INVOLVEMENT

(b) Written Questions

(1) Meetings held by the Chair

21.1 Councillor Meadows read the following question:

“It has been reported in the press that on Tuesday 30th of August you held a meeting with a local group that provided you with evidence of further irregularities of Councillor expenses.

It has been further reported that following this, a preliminary investigation has been commenced into the matters raised.

Can you provide the Committee with an update on this matter, your meeting(s) with this residents' group and this investigation?"

21.2 The Chair provided the following reply:

"I can confirm that I did meet with the Friends of Brighton and Hove Citizens Action Group to discuss their request for an urgent audit of claims made by Cllr Tom Druitt relating to the Dependant Carer's Allowance.

The complaint centred on a conflict between Social Media comments where Cllr Druitt stated that he had not made claims in relation to childcare allowances, and the published records of member expenses for 2018/19 and 2019/20, which included four claims for Dependant Carer's Allowances from Cllr Druitt for four meetings attended between January and June 2019.

Having noted this apparent conflict, I asked senior officers to review the concerns raised and to report back to me, which they have now done. The Friends Action Group has now received a detailed account of the enquiries carried out by the Assistant Director of Legal & Democratic Services and her findings in order to provide reassurance that the information they supplied has been considered properly.

I can confirm that enquiries indicated that child care allowances were claimed and paid to Cllr Druitt in respect of the four meetings mentioned above. The total cost of the allowances paid was £111.54.

The Member Allowance Scheme provides that Councillors may make claims pursuant to the council's Dependent Carer Allowance for attendance at council meetings and for council duties up to a maximum of £9 per hour for each child. A total of one hour of travelling time can be added to the claim where applicable to allow the councillor to travel to and from meetings, provided the child remains with the carer for the duration.

The review has found that the correct forms were received and checked by Democratic Services in relation to the meetings attended by Cllr Druitt. The claims related to Council meetings which Cllr Druitt did attend, and which it was legitimate for Cllr Druitt to claim a dependant carers allowances for.

Councillor Druitt has indicated that he did state on social media that he had never claimed child care expenses. He has stated that at the time he made the comments, he believed them to be true. As soon as he reviewed the claims in his name, he removed his comments from Facebook. He also took a decision to repay the allowances. He repaid £116 in March 2022 although there was no requirement for him to do so given that the claims related to legitimate allowances paid for attendance at meetings he did attend in accordance with the Council's Allowances Scheme.

I'm going to finish my response by quoting from the review letter which has been forwarded to the Friends Group, which I think is worth reading out to give maximum reassurance:

'The fact that the Social Media posts were not accurate has not impacted on the validity of the claims that were made, no fraud has been committed and no payment has been made to Cllr Druitt in error. The expenses were claimed for legitimate Council business and paid under the Dependant Carers Allowance Scheme'.

The letter concludes by saying:

'Following the Audit investigation, further steps have been agreed in relation to the processing arrangements for Councillor Allowances and a follow up report is being brought to the January 2023 Audit & Standards Committee.

There is no evidence of any incorrect claim having been made by Cllr Druitt therefore no further action is proposed.'

In conclusion, having reviewed the information supplied to me and considered the outcome of the enquiry into the concerns of the Group carried out by the Assistant Director of Legal & Democratic Services, I have taken the view that no further action is necessary. I'd like to thank the Friends of Brighton and Hove Citizens Action Group for their time & trouble and to confirm that they have been advised of this outcome by email".

21.3 Councillor Meadows put the following supplementary question:

"Can we confirm who signed and submitted those claim forms on behalf of Councillor Druitt and is this a practice we need to be aware of at Standards Committee?"

21.4 The Chair provided the following reply:

"I can confirm as I said earlier that the correct forms were received and checked by Democratic Services in relation to the meetings attended by Councillor Druitt. The claims related to Council meetings which Cllr Druitt did attend, and which it was legitimate for Cllr Druitt to claim a dependant carers allowances for. Having reviewed the information supplied to me and considered the outcome of the enquiry into the concerns of the Group carried out by the Assistant Director of Legal & Democratic Services, I have taken the view that no further action is necessary".

(2) Minutes

21.5 Councillor Meadows read the following question:

"Can the Chair provide an explanation as to why the minutes of the last Audit & Standards Committee meeting that were presented to the Full Council meeting on the 21st of July to accompany the item 'Audit Report on Member Expenses' did not include the contributions of either Conservative Councillor at that meeting?"

21.6 The Chair provided the following reply:

"Thank you for your question. The minutes of any committee meeting are not the official, agreed record until they have been approved by the next meeting of the committee. The minutes that accompanied the report referred for information to Full Council in July were a brief record of the points raised at our previous meeting and were produced at haste, to give Full Council a very draft overview of some the questions raised at the committee as well as accounting for the amendment approved at the meeting. I note that the report was referred to that meeting for information and not for decision. The time between July and now has given opportunity to review the draft and expand it where necessary.

Going forward, any minute extract that is referred from one committee meeting to another, will make it very clear within the extract that it is draft if it has not yet been agreed by that committee.

We have received and approved the formal record of our previous meeting to today's meeting.

Minutes are not a verbatim record of the meeting and Members have an opportunity under Standing Order 12 to raise matters of accuracy".

21.7 Councillor Meadows put the following supplementary question:

"Why does the Council sanitise webcast and minutes to distort the record of what actually happened"

21.8 The Chair provided the following reply:

"The minutes in question are draft and an extract of the proceedings of the meeting of this committee held in June have been put before this committee and have been agreed. Minutes are not a verbatim record of proceedings but serve to pick up the main threads of the discussion that led to the conclusion. Therefore, I cannot support your view that the minutes have been sanitised in any way on the basis of what I have just presented to you. They are not a verbatim account, they are draft and therefore, I believe that question has been answered".

(c) Letters

21.9 The Committee considered a Letter submitted by Councillor Meadows requesting monthly publication of Members Expenses.

21.10 The Chair provided the following response:

"Following the recommendations at Audit & Standards Committee 28 June 2022, Officers are working to implement electronic claim forms and digitising the process for Member Allowance claims. This will make the audit and review of claims simpler and quicker in the future. It will also ensure that councillor expenses are published within two months of the end of the financial year and that the council continues to comply with its statutory duty which is to publish these figures annually.

Audit & Standards Committee requested an update report be brought as soon as reasonably possible to a future meeting and I can confirm that this report will be received at the meeting in January 2023.

The Council does not have the officer resource that would be required to move from the annual publication of expenses to monthly publication of these figures.

21.11 **Resolved-** That the Committee note the Letter.

22 AUDIT FINDINGS REPORT 2021-22

23 AUDITED STATEMENT OF ACCOUNTS 2021-22

23.1 The Committee considered a report of the Executive Director, Governance, People & Resources that provided information about the audit of the council's 2021/22 Statement

of Accounts and recommends approval of the 2021/22 audited accounts and the Letter of Representation on behalf of the council.

23.2 Councillors West, Hugh-Jones, Atkinson, Meadows, Yates and Helen Aston asked questions and contributed to the debate of the report.

23.3 **Resolved-** That the Audit & Standards Committee:

- 1) Notes the results of the public inspection of the accounts (paragraph 5).
- 2) Approves the Letter of Representation on behalf of the council (Appendix 1).
- 3) Approves the audited Statement of Accounts 2021/22 (Appendix 3) for publication.
- 4) Delegates authority to the Chief Finance Officer for any final wording and/or immaterial adjustments to the accounts prior to publication.

24 INTERNAL AUDIT AND COUNTER FRAUD QUARTER 1 PROGRESS REPORT 2022/23

24.1 The Committee considered a report of the Executive Director, Governance, People & Resources that provided an update on all internal audit and counter fraud activity completed during quarter 1 (2022/23), including a summary of all key audit findings. The report also included an update on the performance of the Internal Audit service during the period.

24.2 Councillors West, Hugh-Jones, Meadows, Yates and Shanks asked questions and contributed to the debate of the report.

24.3 **Resolved-** That the Committee note the report.

25 INTERNAL AUDIT AND COUNTER FRAUD QUARTER 2 PROGRESS REPORT 2022-23

25.1 The Committee considered a report of the Executive Director, Governance, People & Resources that Committee considered a report of the Executive Director, Governance, People & Resources that provided an update on all internal audit and counter fraud activity completed during quarter 2 (2022/23), including a summary of all key audit findings. The report also included an update on the performance of the Internal Audit service during the period.

25.2 Councillors Yates, Meadows, West, Hugh-Jones and Atkinson asked questions and contributed to the debate of the report.

25.3 **Resolved-** That the Committee note the report.

26 ANTI- FRAUD AND CORRUPTION STRATEGY AND FRAMEWORK 2022-24

Resolved- That the Committee approve the Council's Anti-Fraud and Corruption Strategy and Framework attached as Appendix 1.

27 STANDARDS UPDATE

- 27.1 The Committee considered a report of the Monitoring Officer that provided a quarterly update on member complaints and on Standards-related matters.
- 27.2 Councillors West, Yates, Meadows, Shanks and Atkinson asked questions and contributed to the debate of the report.
- 27.3 **Resolved-** That Committee notes the information in the Report.

28 ITEMS REFERRED FOR COUNCIL

- 28.1 No items were referred to Full Council for information.

29 ITEMS FOR THE NEXT MEETING

- 29.1 The Committee agreed to receive a report outlining actions being undertaken in relation to the partial audit assurance issued on Health & Safety.

The meeting concluded at 6.00pm

Signed

Chair

Dated this

day of