

CORPORATE AFFAIRS AND AUDIT COMMITTEE

A meeting of the Corporate Affairs and Audit Committee was held on 11 June 2020.

PRESENT: Councillors Rathmell, (Chair), Hubbard, (Vice Chair), Higgins, J Hobson, Rooney and S Walker

PRESENT AS OBSERVERS: Councillor Hellaoui

PRESENT BY INVITATION: Councillor C Hobson, Executive Member for Finance and Governance

ALSO IN ATTENDANCE: M Rutter, E Ferdani, External Auditors, Ernst Young

OFFICERS: C Benjamin, S Bonner, S Lightwing, C Lunn, S Reynolds, J Weston

APOLOGIES FOR ABSENCE were submitted on behalf of Councillor Mawston.

DECLARATIONS OF INTERESTS

There were no Declarations of Interest at this point of the meeting.

20/9 MINUTES - CORPORATE AFFAIRS AND AUDIT COMMITTEE - 26 MAY 2020

The minutes of the meeting of the Corporate Affairs and Audit Committee held on 26 May 2020 were taken as read and approved as a correct record.

20/10 REMOTE MEETINGS AND AMENDMENTS TO COUNCIL PROCEDURE RULES

The Director of Legal and Governance Services provided a report that proposed amendments to the Council Procedure Rules, required as a result of the requirement to hold remote meetings during the outbreak of the coronavirus, for the Committee to note. The proposed amendments to the Council Procedure Rules would only apply to meetings held prior to 7 May 2021.

Appendix 2 to the submitted report set out the changes to procedures, rules and protocols that the Council had adopted. A number of virtual meetings had been held successfully and best practice continued to be developed.

Members suggested that this was an opportunity to consider how meetings might be held in the future and how new ways of working could be used to engage with more people. Suggestions included making facilities available in Community Hubs for members of the public to view virtual meetings and holding ward surgeries online. It was envisaged that the Constitution and Members Development Committee would be the forum for such discussions.

AGREED as follows:

1. The report was received and noted.
2. Consultation would take place regarding any future amendments to local protocols and procedures for meetings which enabled the Council to operate in a reasonable, rational and fair manner.

20/11 SECONDMENT TO POST OF DIRECTOR OF FINANCE – SECTION 151 OFFICER

AGREED that this item was **DEFERRED** until a future meeting of the Committee as further information had been requested.

20/12 PROGRESS REPORT ON THE DRAFT STATEMENT OF ACCOUNTS

The Chief Accountant provided a comprehensive verbal update on arrangements for the

production of Middlesbrough Council's Statement of Accounts 2019/2020.

As a result of the Covid 19 pandemic, the prevailing legislation had been amended to allow for the impact of the additional workload on Local Authorities and finance teams. The deadline for production of the Draft Statement of Accounts had been delayed to 31 August 2020, and the approval of the final accounts by 30 November 2020.

In common with the other Tees Valley Local Authorities, Middlesbrough Council was proposing the following timetable: Section 151 Officer to approve the draft accounts by the end of June, inspection period during July, accounts audited during August and September and the final audited accounts presented to the Corporate Affairs and Audit Committee by the end of September 2020. This would provide for a one month delay in terms of preparation and then a two month delay in terms of the approval process. This would reflect the additional work that had had to be undertaken in response to the pandemic, along with the recognition that the longer the delay, the more pressure would be put on the budget process for next year.

In relation to the financial impact of the pandemic on the Accounts, it was explained that in 2019/2020, the direct costs of Covid-19 would be funded by Government grants and therefore would not impact on this year's Accounts. However, in the subsequent years, there would be significant impact due to the lack of expected income, as well as direct expenses due to Covid-19 and also pressure from the financial position of Children's Services. It was estimated that the overall costs of the response to the pandemic would be higher than the funding provided by Government and as a consequence, Local Authorities could face financial difficulties.

It was suggested that the Committee, on behalf of the Council, write to Simon Clarke, MP, Exchequer Secretary to the Treasury, highlighting concerns regarding Government funding in response to the Covid-19 pandemic. A request was made that Middlesbrough's MP, Andy McDonald was copied into the letter.

AGREED as follows that:

1. The information provided and the timetable for production of Middlesbrough's Statement of Accounts 2019/2020, was received and noted.
2. A letter to Simon Clarke, MP, regarding Government funding in response to the Covid-19 pandemic, would be drafted and circulated to Committee members for approval prior to despatch.

20/13

ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED

Scrutiny Panel Meetings

Discussion took place regarding the re-introduction of formal Scrutiny Panel meetings to the Council's calendar of meetings for the current municipal year. The work of Democratic Services to date in implementing remote meetings and the additional workload imposed was acknowledged. It was suggested that scheduling formal meetings would be at the discretion of individual Chairs and in consultation with the Monitoring Officer.

AGREED as follows:

1. Formal Scrutiny Panel meetings were scheduled as soon as practicably possible and in consultation with individual Chairs and the Monitoring Officer.
2. The Chair, on behalf of the Committee, would contact the Head of Paid Service to request additional resources to assist with hybrid/remote meetings.