

Boston Borough Council

Minutes of a meeting of the **Audit & Governance Committee** held in the Committee Room - Municipal Buildings, West Street, Boston, PE21 8QR on Monday, 18th November, 2024 at 6.30 pm.

Present:

Councillor Barrie Pierpoint, in the Chair.
Councillors Richard Austin BEM, James Cantwell, Mike Gilbert, Paul Gleeson, Patricia Marson, David Middleton, Chris Mountain and David Scoot.

In attendance:
Councillor Stephen Woodliffe.

Officers:
Assistant Director - Governance and Monitoring Officer, Information Manager and Data Protection Officer, Treasury and Investment Manager, Democratic Services Team Leader and Democratic Services Officer.

29 Apologies for Absence

Apologies for absence were received from Councillor Lina Savickiene.

The Chairman welcomed the new Co-opted Independent Members, Adam Cartwright and Gideon Hall, to the meeting.

30 Declarations of Interest

No declarations of interest were received.

31 Minutes

The Minutes of the previous meeting held 14th October 2024 were agreed and signed by the Chairman.

32 Actions

The Democratic Services Officer provided an update, on behalf of the External Auditors, with regards to the B&M purchase. Members were advised that the purchase had been completed in 2024/25 and as such would be picked up as part of the 2024/25 audit.

No further actions were outstanding from the previous meeting.

33 Public Questions

No questions were received.

34 Treasury Management Mid-Year Report 2024/25

The Interim Treasury & Investments Manager, PSPSL presented a report by the Deputy Chief Executive (Corporate Development) & S151 which provided the 2024/25 Mid-Year update on the Council's Treasury Management Strategy Statement and Annual Investment Strategy, attached as Appendix A within the report.

The report covered the following areas:

- An economic update for the first half of the 2024/25 financial year;
- The outlook for the remainder of the financial year along with interest rate forecasts;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Council's investment portfolio for 2024/25;
- A review of the Council's borrowing strategy for 2024/25; and
- A review of compliance with Treasury and Prudential Limits for 2024/25.

Councillor Richard Austin BME queried the prospective of selling and reinvesting the Council's property funds, referring to a suggestion from the MP, Richard Tice. The Interim Treasury & Investments Manager, PSPSL advised that the position in relation to the Council's property funds was that they were kept under regular review. Members noted that consideration had been given to changes to capital regulations and minimum revenue provision, statutory guidance. He also advised that as part of the next review an information pack would be provided to Members to show what the implications of those legislation changes were, and it would also provide details what the performance of the property funds had been. A separate report would be presented to the Audit and Governance Committee and Full Council in relation to property funds investments as part of the normal review undertaken.

Councillor Paul Gleeson reminded members of the long term investment and from the amount of money that had been spent the Council was getting a good return. He was satisfied by the way that the treasury and the finances of the Council were being run.

Responding to a query from Councillor James Cantwell, seeking further commentary on the changes to the approved budget, referring to page 37 of Appendix A1 for the Town Centre Heritage Scheme and the revenues and benefits, the Interim Treasury & Investments Manager, PSPSL advised that full details were available within the minutes of the Cabinet meetings.

Adam Cartwright referred to the Lobo loan and queried whether there were any possibilities for exiting. The Interim Treasury & Investments Manager, PSPSL advised that it had been reviewed at the same time as the PWLB loan, however the premium had been considerably high due to interest rates. Members noted that the loan was continually being reviewed.

Councillor Mike Gilbert queried whether the revenue implications had been taken into consideration in respect of the capital investments. The Interim Treasury & Investments Manager, PSPSL confirmed that the revenue implications were detailed within the reports submitted to Cabinet for consideration in respect of the Capital Programme.

Councillor Anton Dani referred to the economic situation in respect of national and worldwide political changes and queried whether there would be any future risks to the Council's investments. He also referred to internal borrowing (page 25) and queried whether it was coming from the Council's reserves or elsewhere. The Interim Treasury & Investments Manager, PSPSL reassured Members that global risks were being considered and that there were restrictions in place in terms of the countries where investments could be made. In respect of internal borrowing he explained that the Council incurs capital expenditure which if not met from reserves would incur a borrowing requirement that could be internal or external.

Members noted that the internal borrowing was not technically free of interest as no interest would be earned when borrowing instead of investing.

Councillor Gilbert referred to the property funds and queried whether the spread of risk was included in the prospectus for those investments.

The Interim Treasury & Investments Manager, PSPSL advised that when the decision was made to invest in property funds, various fund managers, along with the designated reviewing officers, were invited to a meeting, where they provided details of their strategy, and where they made their investments, etc. Members noted that, following the meeting, a presentation was being delivered by a fund manager.

RESOLVED:

That the report be noted and that the relevant comments be included within the report to Full Council on 20th January 2025.

35 Information Governance Annual Update

The Group Information Manager and Deputy Data Protection Officer presented a report which provided with an update on the Council's activities and compliance in respect of the Data Protection Act (DPA) 2018, Environmental Information Regulation (EIR) and Freedom of Information (FOI) requirements during the previous 12 months (October to September).

Members noted that during analysis of the requests there was a continued increased use of Information regulations by "social action groups" and "media organisations" to obtain information. 753 requests has been made to the Council, which was a slight increase on the previous year. Of those requests 47 were for information relating to the Environment, or environmental matters such as biodiversity, planning and flooding, etc. Exemptions had been applied to disclosures, where necessary, and in most cases after a public interest test. Only 99 requests had some form of exemption applied, the majority being in respect of personal data or where the information was already available. Advice had been provided on 276 occasions, demonstrating proactive engagement. The percentage of responses within statutory deadlines was 98% which was above the ICO's "good" threshold of 95% on time.

In respect to Data Protection there was an ongoing process where the use of data, and changes to processes were assessed for compliance with the Data Protection Legislation. There had been 48 data incidents reported which was a low volume given the number of transactions processed by the Council.

Councillor Chris Mountain referred to the number of data protection incidents and requested an example of what they referred to. The Group Information Manager and Deputy Data Protection Officer advised that some examples included letters being sent to an incorrect address and emails containing personal data being sent mistakenly to another member of staff.

Councillor Paul Gleeson referred to the FOI requests and queried whether the amount of time being spent on the requests was being recorded and requested that, if not, that an estimated figure over the period of a month be provided. The Group Information Manager and Deputy Data Protection Officer advised that he would look into the possibility of providing some data to the Committee.

Councillor James Cantwell queried whether surveys were used following responses to requests. The Group Information Manager and Deputy Data Protection Officer advised surveys were not used. He added that many requests came from large organisations and anonymous websites, and that the survey results may not provide value.

Councillor Mike Gilbert referred to the redaction of information for law enforcement reasons and queried whether the information would fall under the heading of FOI requests or whether they would fall under quasi-judicial or civil enforcement. The Group Information Manager and Deputy Data Protection Officer clarified that the redaction on the basis of law enforcement was because releasing the information would prejudice a law enforcement activity that the Authority had. He advised that the FOI Act was for any recorded information held by the Council.

Councillor Gleeson requested a breakdown on the number of national and local requests.

Gideon Hall praised officers for their work. Adam Cartwright referred to the requests where responses were made outside of the deadline and queried whether there were any common factors. The Group Information Manager and Deputy Data Protection Officer advised that they were potentially late as a result of collating information from different teams within the authority which was an onerous task.

Councillor Mountain queried the possibility of recording late responses in order to identify any factors and trends. The Group Information Manager and Deputy Data Protection Officer agreed to provide the information.

Councillor Dani requested information in respect of any incidents where information had been passed on to a third party and how the Council had dealt with such matters. The Group Information Manager and Deputy Data Protection Officer confirmed that he was aware of some incidents and agreed to collate and provide the information to members following the meeting. He advised members that in most cases the Council would have requested that the information be returned or destroyed and that confirmation be provided. A risk assessment would then have been undertaken to confirm whether the data owner or the ICO would need to be informed. He added that there had no notifications had been made to the ICO that year.

On behalf of the Committee the Chairman praised the hard work carried out by officers.

RESOLVED:

That the report be noted.

36 Work Programme

The Chairman presented the annual Audit and Governance Work Programme 2024/25 and asked members if they wished to add any additional items into the programme.

Councillor Paul Gleeson referred to the Capital Programme and queried whether more information could be provided to the Committee in respect of the monitoring processes to provide members with assurance. The Assistant Director – Governance & Monitoring Officer advised that the scrutiny of how projects were being delivered or performed would sit in the scrutiny domain. However, the governance control mechanisms could be considered by the Audit and Governance Committee. The Chairman requested that the Interim Treasury & Investments Manager, PSPSL liaise with the Deputy Chief Executive (Corporate Development) & S151 to request a short report.

Councillor Gleeson also referred to guidance which had been published by the Centre for Governance and Scrutiny in respect of [Audit Committees and Scrutiny Committees working together](#) which the Council may wish to consider.

RESOLVED:

That the work programme be noted.

The Meeting ended at 7.31 pm.