EAST PRESTON PARISH COUNCIL

Council Office, 122 Sea Road, East Preston, West Sussex. BN16 1NN

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AUDIT & GOVERNANCE COMMITTEE

MINUTES: of the Committee Meeting held on Monday 13th July, 2026 at 19:00 at Council Office 2, 118 Sea Road, East Preston

PRESENT: Councillors Christine Bowman, Lisa Duff, John Gunston, Rick McElroy (Chairman) and Steve Toney

ALSO: Clerk to the Council, Simon Cross

ABSENT: Councillors Elizabeth Linton and Glyn Mathias

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The following abbreviations may appear in these Minutes:

ADC – Arun District Council WSCC – West Sussex County Council

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The meeting opened at 18:56.

Following the Annual Meeting of the Council on 11th May and the appointment of chairmen to the council's other committees, the membership of the committee was Cllrs Bowman, Duff and McElroy with two vacancies. As Chairman and Vice-Chairman of the Council respectively, Cllrs Toney and Linton were entitled to attend and vote at meetings of this committee. Cllrs Gunston and Mathias had been willing to join the committee, which council agreed on 6th July (Minute 508/26, Resolution 2133).

In advance of the meeting, the Clerk had written to all committee members asking if any would be willing to stand as Chairman or Vice-Chairman of the committee; Cllr Mathias said he would stand for chairman and Cllr McElroy for vice-chairman.

521/26 APPOINTMENT OF A COMMITTEE CHAIRMAN FOR THE YEAR 2026/27

Cllr Mathias was appointed unopposed.

All five councillors present had voted.

522/26 APPOINTMENT OF A COMMITTEE VICE-CHAIRMAN FOR THE YEAR 2026/27

Cllr McElroy volunteered and was appointed unopposed.

All five councillors present had voted.

523/26 APOLOGIES AND REASONS FOR ABSENCE

An apology and a reason for absence were received and accepted from Cllrs Linton (away) and Mathias (family matter).

524/26 PERSONAL AND/OR PREJUDICIAL INTERESTS

No interests were declared.

525/26 PUBLIC QUESTION TIME

No members of the public were present.

526/26 PUBLIC QUESTION TIME

No members of the public were present.

527/26 ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN FOR THE YEAR ENDING 31ST MARCH 2026 – INTERNAL AUDIT REPORT

The following report was circulated in advance of the meeting:

Internal Audit report for the year ending 31st March 2026

On behalf of the council, committee is asked to consider the year-end audit report the year ending 31st March 2026.

Mulberry Local Authority Services Ltd., in the guise of Andy Beams, carried out its year-end audit for the year ending 31st March 2026 on 18th May. Andy's report was received on 19th May and immediately circulate electronically to all councillors.

At its June meeting, council noted the report and, in particular, the following three paragraphs from Andy's Executive Summary:

"Our testing did not identify any procedural errors requiring reporting to the external auditor at this time, nor did we observe any material weaknesses in internal controls that would pose a risk to public funds. In fact, the processes and procedures together with own built in compensating controls are robust, strictly followed and in many respects a model of good practice.

"We are pleased to report that overall, the systems and procedures currently in place are appropriate and effective. While this report may include recommendations for improvement, these should not be viewed as indicators of significant deficiencies. Rather, they are intended to support the continued development of what is, in our view, a well-managed and robust governance framework." (Minute 398/26)

Although Mulberry will remain the council's internal auditor at least until the year ending 31st March 2029, Andy believed this would likely be his last audit of East Preston for the foreseeable future as Mulberry, rightly, likes to rotate its auditors and clients.

Simon Cross – **Clerk to the Council** 8th July 2026

The committee reviewed the report and thanked the council, in particular Adrian, for their contributions to keeping the council's reporting so clean.

528/26 ANNUAL REVIEW OF COUNCIL GOVERNANCE DOCUMENTS

The following report had been circulated in advance of the meeting:

Annual Review of council governance documents

On behalf of the council, committee is asked to conduct the annual review of the following documents:

Standing Orders – last updated by the Personnel Committee in April 2025, version 2022.6;

Financial Regulations – last updated by Full Council in April 2025, version 2025 v2; the council's Financial Regulations Schedule was last reviewed in January 2025;

Risk Register – last updated by the Finance & General Purposes Committee in August 2025, version 24;

Fees and charges – last reviewed by this committee in December 2025; nothing has changed since. Most of the items for which we currently charge are at the relevant committee's discretion; for example; parking charges and annual rentals; stallholder fees for Christmas Celebrations and Food & Drink Festival; memorabilia (postcards, I♥EP bags, calendars); *Father Christmas's storytime* and *Funday Sunday* tickets and so on. The other item is photocopying, currently 10p a sheet; if laminated, then 50p a sheet. We can charge for Freedom of Information requests, but that can be set at the time depending upon the size of the request. The Major Events Committee has increased pitch fees for this year's Food & Drink Festival. I do not propose any changes this year.

Code of Conduct – the council's Code of Conduct is almost wholly based upon Arun District Council's Code of Conduct and last adopted this in April 2021. Despite this, last year, our external auditor feels we should be reviewing the Code of Conduct annually. I argued we would only change our Code of Conduct if ADC changed its, but I lost that argument.

Council Plan – Cllr Wilkinson has recently referred the Finance & General Purposes Committee to progress made on reviewing the Council Plan. That committee "agreed unanimously to postpone further work on the current review until the new council year, May 2026, partly to let the council formulate a better idea for how it wanted to use 118 Sea Road" (Minute 900/25).

Back to **Standing Orders**, following the Chairmanship Training on 29th June, I propose Standing Orders 1b, 1c and 1d are crossed through in the council's Standing Orders as in the whole of my time we have never expected a resolution to be proposed or seconded. The clauses will remain in the document but crossed through, in case we wish to reinstate them at any time but actually Standing Order 1v pretty much covers most of the business we present to Full Council.

I have also written text for Standing Order 8b which had been left unwritten. That is as far as I have got today, but please come to the meeting with other suggested amendments if you have any.

Simon Cross – **Clerk to the Council** 8th July 2026

Standing Orders – a couple of minor changes were being reviewed at the Personnel Committee's meeting on 20th July.

Cllr Gunston reminded the meeting a reason should be included in the Minutes whenever council resolved to exclude the public from a meeting. Generally members of the public left a meeting without the need for the council to take a resolution to exclude them.

Financial Regulations – Cllr Gunston reminded the committee §7.9 said "The approval of the use of each variable direct debit shall be reviewed by the council at least every two years." The committee could undertake this at its next meeting.

With reference to Financial Regulation §11.6, the Clerk confirmed WSCC did still provide payroll services despite the council having agreed to move to Mulberry & Co. for payroll. The Clerk had initiated his move but WSCC had not been happy to lose the council as a client. The Clerk wanted to arrange a conference call with both WSCC payroll and Mulberry & Co. but did not know when that would be possible.

The Clerk confirmed the council had an Investment Policy, this having been adopted on 6th January 2020 (Minute 016/20, Resolution 1394). The committee could also review this at its next meeting.

The committee AGREED unanimously no changes were required to Financial Regulations at this time.

Risk Register – the committee AGREED some written guidance for how others could access council emails and documents in the case of prolonged absence would be useful, but accepted the time needed to write such documentation might not be available. Cllr Bowman suggested councillors should have a brainstorming session to agree what documentation would be necessary; this would provide officers with some starting points.

Some other amendments were suggested. The Clerk will build these into a draft to bring to the next committee meeting for approval.

Fees and charges – the committee was happy with the fees currently charged AGREED unanimously no changes were required at this time.

The committee asked the Clerk to ask how neighbouring councils charged for Freedom of Information requests.

Code of Conduct – the committee AGREED unanimously no changes were required at this time. The committee pondered how the Code of Conduct might change after local government reorganisation.

Council Plan – the Clerk AGREED to contact Cllr Wilkinson about any progress he was making in his review of this document.

529/26 ANNUAL REVIEW OF INSURANCE POLICY

The committee NOTED the following report which had been circulated in advance of the meeting:

Insurance

Committee is asked to review the council's insurance schedule.

The council's insurance cover expires at the end of September 2026. I have circulated the current schedule for councillors to read. Now is a good time to ask any questions we may have before renewal.

Simon Cross – **Clerk to the Council** 8th July 2026

The committee AGREED the loss of income part of the policy needed to increase to cover any income generated by 118 and 120 Sea Road, particularly the latter.

The committee struggled to understand where the policy spoke of cyber-attack. Cllr McElroy thought the policy did not cover cyber-attack as a cyber-attack was usually the result of someone clicking on something suspicious within an email which an insurer would say was self-inflicted. The Clerk was asked to see whether the provider of the council's server and other services provided any sort of cover.

530/26 INTERNAL AUDIT FOR THE YEAR ENDING 31ST MARCH 2027

The following report was circulated in advance of the meeting:

Internal audit for the year ending 31st March 2027

Committee is asked to nominate two members of the committee to sit with the internal auditor during the interim internal audit, to carry out financial spot checks with the internal auditor.

Clause 5.8 of the committee's Terms of Reference state two members of the committee should sit with the internal auditor as above. No date has yet been set, but it will most likely be a Monday in October. I have contacted Anna at Mulberry and may have a better idea of the date by the time of the meeting.

Simon Cross – **Clerk to the Council** 8th July 2026

Cllr McElroy said he would attend, work permitting. The committee AGREED Cllr Mathias was probably the best councillor to attend given his years of experience of chairing this committee.

531/26 ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE

The committee NOTED the following report which had been circulated in advance of the meeting:

Terms of Reference

Committee is asked to review and agree the committee's Terms of Reference for the coming year.

No action this meeting.

The current Terms of Reference, v10, were last updated and re-adopted on 17th July 2023. There is a discrepancy between all committees' Terms of Reference and the council's Standing Orders which I have only discovered this afternoon. I will work out how to handle that and this item will be back on the agenda in due course.

Simon Cross – **Clerk to the Council** 6th July 2026

The committee accepted it would only be able to review the full Terms of Reference at its next meeting.

532/26 MINUTES OF THE MEETING HELD ON 9TH MARCH 2026

The draft Minutes had been circulated to all councillors on 16th March, asking for any suggested amendments by 23rd March. None were received.

The committee AGREED the Minutes could be signed as a true record of the meeting held on 9th March. Cllr McElroy duly completed this task.

533/26 UPDATES ON MATTERS ARISING FROM PREVIOUS MEETINGS

The committee NOTED the following report which had been circulated in advance of the meeting:

Updates from previous meetings

Minute 203/26 – Publication of draft Minutes – as requested, I asked the council's internal auditor for advice on retention periods for councils' recordings of meetings. Andy replied, "There are more councils now keeping an audio recording of their meetings, mostly to protect against any 'edited' versions being released on social media. Where they do though, as you said, they tend to be destroyed after the minutes have been approved - so roughly a month later. If you do decide to make a recording, how long you keep it is up to you though, as long as it is consistent with the council's document retention scheme."

Minute 205/26 – insurance policy – the Finance & General Purposes Committee did agree to undertake a rebuild valuation of its three buildings and the output will be considered by that committee's next meeting.

Minute 203/26 – Publication of draft Minutes – the Clerk reported he had asked internal auditor, Andy Beams, about this. Andy had advised several councils were now recording their meetings to assist with Minutes and mostly the recordings were deleted once the following meeting had signed off the written Minutes.

There was still no strong feeling the council needed to record its meetings, except possibly for use as evidence but Andy's comment above negated that.

534/26 URGENT MATTERS FOR INFORMATION ONLY

Nothing was raised.

535/26 MATTERS TO BE DISCUSSED AT THE NEXT MEETING (23RD NOVEMBER 2026)

Review of council's insurance policy.

The Meeting closed at 19:34.

Chairman: Cllr Glyn Mathias Date: **23rd November 2026**

(END)