



**MINUTES
OF THE MEETING OF THE
GOVERNANCE SCRUTINY GROUP
THURSDAY, 4 DECEMBER 2025**

Held at 7.00 pm in the Council Chamber, Rushcliffe Arena, Rugby Road, West
Bridgford
and live streamed on Rushcliffe Borough Council's YouTube channel

PRESENT:

Councillors D Simms (Chair), M Gaunt (Vice-Chair), H Om, N Regan,
C Thomas, T Wells and G Wheeler

ALSO IN ATTENDANCE:

J Causton	Independent Member
M Armstrong	BDO (The Council's Internal Auditors)
J Norman	Forvis Mazars (The Council's External Auditors)

OFFICERS IN ATTENDANCE:

S Whittaker	Assistant Director of Finance
M Heald	Finance Business Partner
R Clack	Legal Services Manager
E Richardson	Democratic Services Officer

APOLOGIES:

Councillors K Chewings and P Gowland

20 Declarations of Interest

There were no declarations of interest.

21 Minutes of the Meeting held on 25 September 2025

The Chair noted that the Independent Person, Jonathan Causton, was not recorded as being in attendance at the last meeting and confirmed that the minutes would be updated accordingly.

The minutes of the meeting held on 25 September 2025 were agreed as a true record and were signed by the Chair.

The Chair advised and the Group noted the change in the order of the items to be discussed on the agenda.

22 RIPA Review

The Deputy Monitoring Officer presented the Regulation of Investigatory Powers Act 2000 (RIPA) Review report and advised that the Investigatory Powers Commissioner's Office required that councillors were updated annually

on the Council's use of powers under RIPA to ensure compliance with legislation.

The Deputy Monitoring Officer explained that local authorities had the power to authorise directed surveillance, which usually comprised of covert cameras or covert observations by Officers, and the use of Covert Human Intelligence Sources (CHIS), and that authorisation for this should only be granted if it was considered necessary for the prevention and detection of crime or preventing disorder, and, if the surveillance was proportionate to the aims it sought to achieve. She noted that authorisation must also have judicial approval from a Justice of the Peace

In relation to authorisations under RIPA, the Deputy Monitoring Officer said that these could only be given by the Council's Authorising Officers, who were the Chief Executive, the Director for Neighbourhoods and the Head of Service for Public Protection.

The Deputy Monitoring Officer advised that in line with the Council's RIPA policy, Councillors were required to consider and review the Council's use of RIPA powers and its policy and guidance at least once a year and that each year the Senior Responsible Officer (SRO) undertook an audit of RIPA usage. She confirmed that there had been no authorisations given for directed surveillance or for the use of CHIS since the last report.

In relation to training, the Deputy Monitoring Officer informed the Group that this was available to relevant Officers on a regular basis and was delivered via an online module and that the Council maintained a list of everyone who have completed the training. She confirmed that all of the Authorising Officers had undertaken training in respect of the authorisation process and criteria to consider.

In relation to auditing, the Deputy Monitoring Officer said that the IPCO carried out an inspection of the Council's records every three years, including interviewing Officers to ensure that there was compliance with the appropriate legislation. She noted that the last inspection was undertaken in 2023 and that the Council's RIPA policy had been updated in line with recommendations. The next inspection was due in 2026.

The Deputy Monitoring Officer noted that the SRO review of the policy in 2024 had taken account of the Covert Surveillance Code of Practice and that she had subsequently undertaken the annual review of the Council's RIPA policy and confirmed that no material updates were required. She referred the Group to the current version of the policy attached at Appendix 1.

Councillor Wells asked when the Council had last used surveillance and the Deputy Monitoring Officer said that she would confirm whether it had ever been used.

It was **RESOLVED** that the Governance Scrutiny Group:

- a) Considered and noted the information contained within this report regarding the Council's use of RIPA powers; and

- b) Acknowledged the Senior Responsible Officer's annual review of the Council's RIPA Policy, attached at Appendix 1 to this report.

23 Internal Audit Progress Report

Mr Armstrong from BDO, the Council's Internal Auditors, presented the Internal Audit Progress Report Quarter 2.

Mr Armstrong referred to page 17 of the report which showed the table detailing progress of work completed so far and work due. He confirmed that five of the nine reports had been fully completed, that one was in draft and one was ongoing, with two outstanding, with the final reports due in February and June 2026. He confirmed that all were in line with and on time with the Audit Plan.

Mr Armstrong said that the two audit reports completed within this quarter related to Main Financial Systems and Business Continuity and Emergency Planning.

In relation to Main Financial Systems, Mr Armstrong explained that it was an annual review as part of the core assurance auditing and that different areas of the financial systems were reviewed each year. He said that for this year, accounts payable and procurement cards had been reviewed and that a moderate rating for Design and substantial rating for Effectiveness had been given, with one medium and one low level finding.

Mr Armstrong advised that the medium rating related to the procurement card log, but not the use of the cards, as there were some late submissions of logs and receipts to the Finance Team. He noted that procurement cards could be an area of risk hence why it had been raised even though no misuse had been found. He referred the Group to part B of the response which listed actions taken to log and chase up card holders. He referred to the low finding regarding the absence of a written audit trail for a card limit increase.

In relation to the review of Business Continuity and Emergency Planning, Mr Armstrong said that a substantial rating for both design and effectiveness had been given with two low level findings. He said that one low level rating related to a structured multi-year programme for scenario testing of business continuity risks not being in place, although there were ad hoc testing sessions on a range of different vulnerabilities. The other related to reporting to the Executive Management Team not being supported by documentation summarising risks and action implementation and also that Resilience Review meetings were not documented.

Mr Armstrong noted that the budget had been released since the audit had been published, with key announcements around council tax changes and business rates revaluation which would have administration and cost impacts for local authorities, and whilst the Government had said that local authorities would be fully compensated for administration costs, this would need to be monitored. He also noted announcements regarding additional investment in planning and licensing.

Councillor G Wheeler asked about future impacts from the budget and Mr Armstrong said that BDO had put out an announcement about potential impacts and that as part of the audit reviews the broader landscape of risk was considered with possible impact from the budget.

Councillor G Wheeler asked how the Council's business continuity planning compared to other local authorities and whether a full business continuity exercise was expected to take place each year. In relation to benchmarking with other local authorities, Mr Armstrong said that substantial assurance was not often provided. He said that it was hard to define what risks needed to be covered for future years and resource implications in trying to provide scenario training for all, but it would be prudent to develop a multi-year plan to provide broader coverage of potential threats that the Council may face.

Councillor Om asked about scenario planning in relation to physical and financial testing and regarding IT services. Mr Armstrong said that testing could take place in many different ways and that it was designed to ensure that Officers were prepared when facing an incident. The Assistant Director of Finance said that Officers from the various service areas were involved in exercises so that the wider impacts from an incident were considered and prepared for. She confirmed that the Council had held a cyber security scenario session and that regular disaster testing was carried out within the IT Team.

Members of the Group asked about procurement cards, how many had been issued, at what level of seniority and what credit limits were given. The Assistant Director of Finance didn't know how many had been issued (subsequently confirmed at approximately thirty cards) and said that issuance was an operational decision based on the needs of a specific role. She said that credit limits varied, dependent on the card holder's role, and that they were kept as low as possible, with the ability to do temporary limit increases if the need arose.

The Chair asked about documentation and governance and the process of authorisation for procurement cards. Mr Armstrong referred to the Council's financial regulations and also specific procurement card holder regulation documents which set out the permissible usage of the cards and said that the card logs assessed whether expenditure was aligned with policy and was reasonable, with a process for escalation if not. He confirmed that the audit had not identified any instances of misuse.

The Chair asked about potential misuse of procurement cards and whether there were proactive measures of control in place and the process for determining credit limits. The Assistant Director of Finance explained that every card holder went through training on how to use and treat their card and had to sign confirming their responsibility for its use before they were allowed to make any expenditure. She said that card holders were expected to seek approval from their line manager before making a purchase and that after purchase they would submit receipts to them. She added that the Finance Team received an itemisation of all purchases from the bank which was checked by the Team for any untoward or unexpected transactions which would be raised with the bank

and the card holder's line manager. She confirmed that card limits were set on an individual basis with a documented agreement with the card holder's line manager.

Councillor Regan asked whether the Council had been impacted by the recent cloud flare outage and the Assistant Director of Finance was not aware of any impact but thought that a third party provider may have been.

The Chair asked about the relationship between the risk register, risk profiling and the Business Continuity Plan. Mr Armstrong said that a risk register came before the Group every six months and that Internal Audit considered the Council's Business Continuity Plan to be sufficiently robust and in line with expectations for a local authority. The Assistant Director of Finance said that risks were identified by Officers and this Group and that when new risks were identified as requiring a continuity plan the Business Continuity Plan was updated, with plans in place for critical risks so that Officers knew what to do in the event of that risk materialising, with them all being linked.

It was **RESOLVED** that the Governance Scrutiny Group considered the quarter 2 progress report for 2025/26 (Appendix A) prepared by the Council's Internal Auditor.

24 **Statement of Accounts 2024-2025**

Ms Norman from Forvis Mazars, the council's external auditors gave a verbal update to the Group regarding the Statement of Accounts 2024-2025. She confirmed that the update this evening was to conclude outstanding areas of review in relation to the Statement of Accounts and confirm that final approval and signature of the audit opinion had now taken place. She confirmed that this allowed the Council to publish its audited statement of accounts well in advance of the deadline of 27 February and that it was one of the first in the Country to do so.

Ms Norman referred to the agenda supplement of the Audit Completion Report Follow Up Letter which confirmed that all outstanding areas had been concluded and she paid thanks to the Finance Team.

Councillor Om referred to Appendix B and asked what internal controls were in place. The Assistant Director of Finance advised that the journal process was considered low risk and that any journals over £10k were reviewed on a report basis rather than in the system. In relation to the instance reported in the appendix she explained that this was an unusual occurrence where she hadn't sought a second check but that final balances were reviewed by budget holders and Officers as part of the closure process and also as part of the final accounts audit, so there was assurance within the system.

Councillor Wells asked about Officer pensions in relation to Local Government Reorganisation (LGR) and the Assistant Director of Finance said that this would be something for the future organisation to decide.

The Assistant Director of Finance and the Chair thanked the Finance Team and the Auditors for their hard work.

Ms Norman advised that in light of LGR, the plan was for the audit deadline to be brought forward for next year.

25 Capital and Investment Strategy Update

The Finance Business Partner presented the Capital and Investment Strategy Q2 Update for 2025/26.

In relation to the economic forecast, the Finance Business Partner said that inflation had fallen to 3.6% in October and that interest rates had held at 4% but were expected to fall in December, with two further cuts anticipated in the new year. She said that the UK economy had marginally expanded in quarter 3.

In relation to investment income, the Finance Business Partner referred to paragraphs 4.4 to 4.9 and said that the Council had budgeted to receive £1.4m in interest receipts this year and that projections currently exceeded this. She referred to Appendix A which detailed the full list of investments held at the end of September and to Appendix B which detailed diversified funds which had seen significant fluctuation over the last few years, but which had returned an average of 5.8% and were held for long term gain.

In relation to prudential indicators, the Finance Business Partner referred to Appendix C, and said that there was currently a projected underspend on capital arising primarily from the need to reprofile expenditure on Warm Homes to match allocation and land acquisition for carbon offsetting not yet being committed.

In relation to the Council's underlying need to borrow for capital expenditure, the Finance Business Partner referred to Table 3 which showed the forecast reduction in internal borrowing after deduction of MRP repayments. She said that the projected figure for net income from commercial and service investments to net revenue streams was marginally higher than expected due to lower utility costs and that the liability benchmark showed a credit balance which indicated that the Council did not need to borrow over the medium term.

The Finance Business Partner referred to Table 4 which detailed commercial investments which demonstrated the Council's reliance on commercial income which was projected to account for 12.2% of total income to the Council.

The Finance Business Partner said that the next training session with Arlingclose was scheduled for 6 January 2026.

In conclusion, the Finance Business Partner said that the UK economy was still very fluid, with falling interest rates and slow economic growth.

Councillor Om referred to Table 4 and property income and asked whether it had dropped. The Finance Business Partner confirmed that it had due to vacancies in Bridgford Hall and at the Point.

Councillor G Wheeler asked about vacancies at the Point, noting that there

was always a sign on the building saying that there were vacancies and asked whether this was accurate. The Assistant Director of Finance said that a response would be provided to the Group.

It was **RESOLVED** that the Governance Scrutiny Group reviewed and commented as necessary on the Capital and Investment Strategy update position as of 30 September 2025.

26 **Work Programme**

The Assistant Director of Finance presented the Governance Scrutiny Group Work Programme.

The Assistant Director of Finance advised that Risk Management Training would be held prior to the start of the next Governance Scrutiny Group meeting on Thursday, 5 February and the Group agreed for the training to start at 6pm ahead of the meeting at 7pm.

The Assistant Director of Finance noted that Treasury Management Training would be held on Tuesday, 6 February at 6pm and confirmed that it was mandatory for Members of Governance Scrutiny Group. Councillor G Wheeler gave his apologies and the Assistant Director of Finance said that she would look at options for recording the training.

It was **RESOLVED** that the Governance Scrutiny Group approved the Work Programme as follows:

5 February 2026

- Internal Audit Progress Report
- Internal Audit Strategy
- Risk Management Update
- Risk Management Strategy
- Capital and Investment Strategy Update
- Capital and Investment Strategy 2026/27
- External Annual Audit Plan
- Asset Management Plan

Actions – 4 December 2025

Minute No.	Action	Officer Responsible/ Update
22	Deputy Monitoring Officer to confirm whether the Council has ever used RIPA powers	Confirmed that the Council hasn't used RIPA powers for many years and not since the Government introduced the need to get a magistrate to sign off the authorisation

25	Property Team to confirm occupancy and vacancy at the Point and confirm whether the 'to-let' signs are accurate	Property Services Team
----	---	------------------------

The meeting closed at 8.04 pm.

CHAIR