

Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 7 December 2017 at 6.00 pm.

Present:

Chairman: Councillor P G Heath

Councillors: B W Butcher  
P I Carter  
M I Cosin  
M R Eddy  
D Hannent  
S J Jones

Officers: Director of Governance  
Head of Finance  
Head of Audit Partnership (East Kent Audit Partnership)  
Deputy Head of Audit Partnership (East Kent Audit Partnership)  
Democratic Services Officer

23 APOLOGIES

There were no apologies for absence received from Members.

24 APPOINTMENT OF SUBSTITUTE MEMBERS

There were no substitute Members appointed.

25 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

26 MINUTES

The Minutes of the meeting of the Committee held on 28 September 2017 were approved as a correct record and signed by the Chairman.

27 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Deputy Head of Audit Partnership (East Kent Audit Partnership) introduced the Quarterly Internal Update report. There had been eight internal audit reports undertaken during the period of which two achieved Substantial assurance, four achieved Reasonable assurance and two received a split assurance level of Reasonable/Limited. Four follow up reviews were completed with no concerns to highlight to Members.

The Head of Audit Partnership provided an update to the internal audit performance up to November 2017 which was now 57% complete and approximately 10% behind due to long term sickness within the team for which days would be bought to make up for the shortfall.

Members discussed their concerns of the split assurance opinion achieved for Inward Investment and in particular the controls that were missing which gave rise to the Limited Assurance. It was an important role within the Council and was controlled and delivered by a single officer and given that it was one of the Council's most important activities, Members raised concerns about resilience and succession planning for the role and the Council's workforce as a whole.

- RESOLVED: (a) That it be recommended to Cabinet that an updated Workforce Strategy be developed for 2018, which is then considered by Cabinet. This should include:
- (i) Workforce analysis detailing the current age profile of the staff;
  - (ii) Workforce management including succession planning and recruitment strategies;
  - (iii) Staff development, including talent management, and bespoke and corporate training;
  - (iv) Career grades, apprenticeships and graduate placements.
- (b) That after the strategy has been received and considered by Cabinet, it is referred back to the Governance Committee. This is to enable it to fulfil its assurance role, which is to ensure that effective action is being taken to mitigate risk and maintain effective internal control.

## 28 TREASURY MANAGEMENT QUARTER TWO REPORT 2017/18

The Head of Finance presented the Treasury Management Quarter Two Report 2017/18.

The Council had remained within its Treasury Management and Prudential Code guidelines during the period. The investment return for the six month period to September was 0.53% which outperformed the benchmark by 0.32%. The Council's projected investment return for 2017/18 was £398k. The original budget estimate was £305k and the improvement was due to the estimated dividend from new investments in the CCLA Property Fund.

RESOLVED: That the Treasury Management Quarter Two Report 2017/18 be noted.

## 29 ANNUAL AUDIT LETTER

The Committee was asked to consider the Annual Audit Letter which summarised the key findings arising from the work Grant Thornton (External Audit) had carried out a Dover District Council for the year ended 31 March 2017. The summary was provided by the Head of Finance in the absence of Grant Thornton.

RESOLVED: That the Annual Audit Letter be noted.

The meeting ended at 6.45 pm.