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Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 30 June 2016 at 6.00 pm.

Present:

Chairman: Councillor P G Heath

Councillors: P I Carter
D Hannent
S J Jones
A S Pollitt
A F Richardson

Also Present: Liz Olive, Grant Thornton
Terry Blackman, Grant Thornton

Officers: Director of Governance
Director of Finance, Housing and Community
Chief Executive - East Kent Housing
Operation Manager South, East Kent Housing
Head of Audit Partnership (East Kent Audit Partnership)
Head of Asset Management, East Kent Housing
Democratic Support Officer

1 APOLOGIES

There were no apologies for absence received from Members.

2 APPOINTMENT OF SUBSTITUTE MEMBERS

There were no substitute Members appointed.

3 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

4 MINUTES

The Minutes of the meeting of the Committee meeting held on 24 March 2016 were approved as a correct record and signed by the Chairman.

5 SHELTERED AND SUPPORTED HOUSING - EAST KENT HOUSING UPDATE

The Committee received the report of the Head of Operations, East Kent Housing (EKH). The report was originally requested by the Committee at its meeting held on 3 December 2015 and had requested EKH to provide an update on the key audit actions identified by the East Kent Audit Partnership. In the absence of an EKH officer to talk to the report, at its meeting held on 24 March 2016 the Committee requested that an officer attend the next meeting of the committee to answer Members' questions.

To understand the Limited Assurance level the Operations Manager (south) advised that in 2012 when EKH was formed, most service areas were re-structured with the exception of Sheltered Housing, having been re-structured in 2014. All three authorities in EKH had Sheltered Housing provision and therefore had three

different data recording processes; it was shortly after the re-structuring that an audit of the service took place. It was felt by EKH that had the service had time to embed and streamline its data recording and processes, a different assurance level could have been achieved.

The Operations Manager (south) (EKH) advised Members that the original Limited Assurance level had since been reviewed and had given rise to a Reasonable Assurance level. The Head of Audit Partnership advised that these assurances had been provided around control.

RESOLVED: That the report be noted.

6 SHELTERED HOUSING DBS - UPDATE

The Operations Manager (south) – East Kent Housing (EKH) introduced the Sheltered Housing Disclosure Barring Service (DBS) Update report which had been requested by the Committee at its meeting held on 24 March 2016. The report outlined the procedures and checks in place when carrying out an enhanced DBS check.

In response to Members concerns with regard to overseas information, the Committee was advised that East Kent Human Resources (EKHR) were the registered body for the enhanced DBS check and managed the applications on behalf of EKH. It had not been suggested by EKHR that further enhanced checks for non-UK individuals was required and the enhanced DBS check was of a very high level.

RESOLVED: That the report be noted.

7 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Head of Audit Partnership (East Kent Audit Partnership) introduced the Quarterly Internal Update report. There had been seven audits undertaken during the period, of which two were classified as providing Substantial Assurance, four as Reasonable Assurance and one as Limited. Members were advised that measures were in place to address the outstanding issues which gave rise to the high priority recommendation for EK Services – ICT Data Files and Back Ups.

Members were encouraged by the report and acknowledged the work put in by officers.

RESOLVED: That the report be received and noted.

8 ANNUAL INTERNAL AUDIT REPORT

The Head of Audit Partnership reported to the Committee a summary of the work completed by the East Kent Audit Partnership (EKAP) together with details of the performance of the EKAP against its targets for the year ending 31 March 2016.

The original audit plan for 2015-16 had included a total of 25 projects of which 24 had been completed. During the same period EKAP had raised and reported to the Committee 121 recommendations of which 78% were in the High or Medium Risk categories although none were so significant that they needed to be escalated. Of the 24 pieces of work completed 94% received Substantial or Reasonable

assurance. Those reviews that received Limited assurance were re-assessed and later revised to provide Reasonable assurance after the follow-up assessment. EKAP assessed the overall system of internal control in operation throughout 2015-16 as providing reasonable assurance.

RESOLVED: That the report be noted.

9 ANNUAL FRAUD REPORT

The Head of Audit Partnership provided members with a summary of the anti-fraud work completed by the East Kent Audit Partnership (EKAP) for the year ending 31 March 2016.

Members were directed to the report which outlined the various policies and controls in place. The work carried out during the National Fraud Initiative (NFI) had once again been successful and a total of three successful prosecutions had been achieved as a result of benefit fraud referrals. Members were reminded that the benefit fraud investigation officers had transferred to the Department for Work and Pensions and therefore Benefit Fraud Referrals would no longer be part of the Annual Fraud Report.

RESOLVED: That the report be noted.

10 ANNUAL GOVERNANCE ASSURANCE STATEMENT 2015/16

The Director of Governance presented the Annual Governance Assurance Statement 2015/16 to the Committee. This was an annual review to look at the effectiveness of the Council's System of Internal Control.

Significant governance issues during the year were reported to include:

- PSN compliance;
- Individual Electoral Registration;
- East Kent Services Collaboration Agreement.

Whilst the report stated that online training for Safeguarding Children had been provided to all staff it did not specifically state how many had completed the training. The Director of Governance was able to report to Members that approximately 98% of staff had completed it and a more detailed report which would cover training and compliance of all staff with regard to Safeguarding Children could be provided at the meeting of the Committee in December.

RESOLVED: (a) That the Annual Governance Assurance Statement 2015/16 be accepted.

- (b) That the Director of Governance provide a report to the Committee in respect of the training and compliance of all staff with regard to Safeguarding Children at its meeting in December 2016.

11 GOVERNANCE COMMITTEE UPDATE - GRANT THORNTON

The Engagement Lead – Grant Thornton presented the update to the Committee. The final accounts audit and Value for Money (VfM) conclusion was in progress and would be presented in the Audit Findings report.

RESOLVED: That the update be noted.

12 DOVER DISTRICT COUNCIL FINANCIAL STATEMENTS FOR THE YEAR END 31 MARCH 2016

The Engagement Lead – Grant Thornton presented the report to the committee asking the committee chairman for assurances over management processes and arrangements. The committee was advised that although written, the letter had not yet been sent to Grant Thornton.

RESOLVED: That the report be noted.

13 AUDIT FEE LETTER 2016/17

The Engagement Lead – Grant Thornton presented the Audit Fee letter to the committee which set out the scale fees for 2016/17 as set by Public Sector Audit Appointments Limited (PSAA).

RESOVLED: That the Audit Fee letter be noted.

The meeting ended at 6.34 pm.