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23 July 2020

Dear Councillor

I am now able to enclose for consideration at the meeting of the **GOVERNANCE COMMITTEE** on Thursday 30 July 2020 at 6.00 pm, the following report that was unavailable when the agenda was printed.

4 **MINUTES** (Pages 2 - 5)

To confirm the Minutes of the meeting of the Committee held on 25 June 2020.

Yours sincerely

A handwritten signature in black ink, appearing to read "Nicky", written over a white background.

Chief Executive

Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 25 June 2020 at 6.00 pm.

Present:

Chairman: Councillor D Hannent

Councillors: S S Chandler
J P Haste
S J Jones
P D Jull (as substitute for Councillor J Rose)
C A Vinson
P Walker

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

28 APOLOGIES

An apology for absence was received from Councillor J Rose.

29 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that, in accordance with Council Procedure Rule 4, Councillor P Jull was appointed substitute member for Councillor J Rose.

30 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

31 MINUTES

The minutes of the meeting held on 21 January 2020 were approved as a correct record and signed by the Chairman.

32 INTERNAL AUDIT STANDARDS SELF-ASSESSMENT

The Head of Audit Partnership introduced the report to the Committee which summarised the results of the East Kent Audit Partnership (EKAP) self-assessment against the Public Sector Internal Audit Standards (PSIAS). The report was due to be considered at the meeting of the Committee in March 2020 and was cancelled due to the Covid-19 pandemic.

Following a self-assessment in December 2019 to identify EKAPs compliance it was concluded that the service was 87% fully compliant, 6% partially compliant and 6% of the service was not applicable for assessment. There was provision within the Charter for the Head of Audit Partnership to meet independently with the Chairman of the Governance Committee and as this did not happen it was concluded the

service was 1% non-compliant. The recommended actions to work towards full compliance were contained within the annex to the report.

RESOLVED: That the report and the actions required to work towards full compliance within the PSIAS be noted.

33 INTERNAL AUDIT CHARTER AND DRAFT INTERNAL AUDIT PLAN 2020-21

The Head of Audit Partnership introduced the Internal Audit Charter and Draft Internal Audit Plan 2020/21 to the Committee. The report was due to be considered at the meeting of the Committee in March 2020 and was cancelled due to the Covid-19 pandemic.

The Internal Audit Charter was reviewed every three years. Since the report was compiled a number of staff had been re-deployed during the months of March, April and May due to the pandemic and this had resulted in over 200 audit days, over the partnership, lost as a result. In addition there were new risks that would need to be reflected in the Plan 2020/21 and a revised plan would be brought back to the Committee in September, following engagement with the s.151 officer. The Committee was asked to adopt the Charter for another three years and Members noted that a revised plan would come to the Committee in September 2020.

RESOLVED: (a) That Members approved to adopt the Internal Audit Charter for delivery of the internal audit service for the next three years.

(b) That Members approved the Council's Internal Audit Plan for 2020/21.

34 QUARTERLY INTERNAL AUDIT UPDATE REPORT (MARCH)

The Deputy Head of Audit Partnership (East Kent Audit Partnership) (EKAP) introduced the Quarterly Internal Audit Update report to the Committee which provided a summary of the work completed by the EKAP since the meeting of the last Governance Committee meeting in September up to March 2020. The report was due to be considered at the meeting of the Committee in March 2020 and was cancelled due to the Covid-19 pandemic.

There had been 6 internal audit assignments completed of which three concluded substantial assurance and three reasonable assurance. A total of five follow-up reviews were also completed during the period and included East Kent Housing (EKH) Tenant Health and Safety, which concluded Limited assurance after follow-up. It was noted that at the time of the report the recommendations were only partially implemented and it was expected that compliance would have increased significantly since the review took place.

In response to the Limited assurance after follow-up for GDPR Compliance, the Head of Governance advised that a Governance Officer was supporting all Heads of Service to ensure compliance with the regulations and helped to implement the recommendations of audit. It was recognised that there were a lack of resources in this area and it would be looked into.

RESOLVED: That Members note the update report.

35 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Deputy Head of Audit Partnership (East Kent Audit Partnership) (EKAP) introduced the Quarterly Internal Audit Update report to the committee which provided a summary of the work completed by the EKAP for the last quarter.

There had been six internal audit assignments completed of which three concluded substantial assurance, one split assurance, one limited and one review where an assurance level was not applicable. Members discussed the split assurance for East Kent Housing (Housing Repairs, Maintenance and Void Property Management) and their concerns that there were currently no formal minutes from meetings with contractors. This was a service that required significant improvements and Members could place some assurance on the service coming back in-house in October and that the action points, including the requirement of formal minutes, would be implemented.

In addition, six follow up reviews had been completed during the period. It was noted that East Kent Housing – Tenant Health and Safety (Lifts) was concluded no assurance after follow-up. The particular issues with the three lifts referred to in the report were not within the Dover district and Members were reassured that East Kent Housing had since completed the recommendations from the follow-up, and following agreement from the s.151 officer, a further follow-up would be completed and reported back to the meeting of the Governance Committee in September.

RESOLVED: That Members noted the update report.

36 ANNUAL INTERNAL AUDIT REPORT

The Head of Audit Partnership (HAP) introduced the report to the Committee which provided a summary of the work completed by the East Kent Audit Partnership (EKAP) for the year ended 31 March 2020.

The HAP gave Members a brief summary of the purpose of the annual report and the requirements to ensure compliance within the professional standards. Members were provided with an overview of the work completed during the year. A total of 110 recommendations were made, of which 41 were analysed as being High risk and 8 as being Critical risk. Of the five reviews that received an original assurance of (partially) no or limited assurance three remained at no or partially limited assurance. All recommendations were raised and reported to the Governance Committee, including those that remained a high priority and outstanding after follow-up.

The overall assessment concluded there were no major areas of concern that would give rise to a qualified audit opinion. Members thanked officers and the work of the EKAP throughout the year.

RESOLVED: That Members note the report.

37 CONSTITUTIONAL AMENDMENTS FOR REMOTE MEETINGS

The Democratic Services Manager introduced the report to the Committee and provided members with the amendments required to the Council's Constitution to give provision to the authority to operate remote committee meetings.

The changes to the Council Procedure Rules would be an annex to the current procedure rules and would have effect between 4 April 2020 and 7 May 2021.

RESOLVED: That it be recommended to Council that the changes set out in Appendix 1 be approved and incorporated into the Constitution as Annex 1 to the Council Procedure Rules to be effective until 7 May 2021.

38 REVIEW OF THE CONSTITUTION 2019-20

The Democratic Services Manager introduced the report to the Committee. Attention was drawn to the report and members were provided with a summary of a number of changes to the Constitution, one of which included changes to a number of officer delegations as a result of the Coronavirus Act 2020. Members were also advised that a review of the public petition rules was required and that a review of the current petition arrangements to simplify the scheme would take place in 2020.

RESOLVED: That it be recommended to Council that the proposed changes in the Review of the Constitution 2019/20, as set out in Appendix 1, and specifically those changes relating to Part 3, Responsibility for Functions, Section 2 (Responsibility for Local Choice Functions) and Section 6, Sub Section C (Scheme of Officer Delegations) that relate to Council functions be approved and incorporated into the Council's Constitution, issue no. 23.

39 ANNUAL GOVERNANCE ASSURANCE STATEMENT UPDATE

The Head of Governance provided the Committee with an update on the Annual Governance Assurance Statement (AGAS).

Each year, the Council was required to review its effectiveness of its system of internal control and the AGAS would be required to be approved alongside the Statement of Accounts. Due to the Covid-19 pandemic the Accounts and Audit Regulations 2015 were amended and the Statement of Accounts were to now be approved by 30 November 2020. As a result the AGAS would be presented to the Governance Committee for approval at its meeting on 24 September 2020.

RESOLVED: That the report be noted.

The meeting ended at 7.40 pm.