

Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 8 March 2018 at 6.02 pm.

Present:

Chairman: Councillor P G Heath

Councillors: B W Butcher
P I Carter
M R Eddy
B Gardner (as substitute for Councillor S J Jones)
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Officers: Director of Governance
Director of Property Services (East Kent Housing)
Head of Audit Partnership (East Kent Audit Partnership)
Deputy Head of Audit Partnership (East Kent Audit Partnership)
Head of Finance
Engagement Lead - Grant Thornton
Democratic Services Officer

30 APOLOGIES

There were apologies for absence received from Councillors M I Cosin and S J Jones.

31 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that, in accordance with Council Procedure Rule 4, Councillor B Gardner was appointed as substitute for Councillor M I Cosin.

32 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

33 MINUTES

The Minutes of the meeting of the Committee held on 7 December 2017 were approved as a correct record and signed by the Chairman.

34 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Deputy Head of Audit Partnership (East Kent Audit Partnership) (EKAP) introduced the Quarterly Internal Update report. There had been six internal audit reports undertaken during the period of which the following assurances were received:

Service/Topic	Assurance Level
CCTV	Substantial
Scheme of Officer Delegations	Substantial

Officers' Code of Conduct & Gifts & Hospitality	Reasonable
Local Code of Corporate Governance	Reasonable
East Kent Housing – Fire Risk Assessment Processes and Records Management	Limited
EK Services – Housing Benefit Quarterly Testing (Quarter 2 of 2017/18)	Not Applicable

Two follow up audit reviews were completed to ensure that the recommendations previously made had been implemented. Included in those reviews was East Kent Housing – Fire Risk Assessment Processes and Records Management from the quarter's audits. This had been reviewed in September 2017 and a follow up review was carried out in January 2018. Following this a Reasonable Assurance level was awarded. The Director of Property Services (East Kent Housing) (EKH) was in attendance to provide further reassurance to the Committee.

There had been a multi-agency response across Kent to Grenfell and inspections were undertaken by Kent Fire and Rescue and Building Control, including EKH whose knowledge and skill set it was acknowledged was above and beyond that of EKAP. Throughout Kent there were 87 high risk buildings (as categorised by central government) of which none were within Dover's district and Members were assured that no buildings within the district were at risk. Tenants had been notified and reassured over a three month period that the properties were safe and secure. Members were advised that 101 properties required a Type 3 fire risk assessment and these had been completed. Furthermore, where there was a statutory obligation to have a fire alarm in place, they were in place.

A new central database had also been procured by the way of the Pyramid system which would provide ongoing monitoring processes, generate reports to assist in maintenance work that needed to be carried out as well as provide status reports to management.

Following the follow up review, a Reasonable/Limited Assurance level was given to Performance Management and the two high priority recommendations still outstanding after follow up were escalated to management. The audit had highlighted some differences between the opinions of internal audit and senior management in the way business or service plans and staff appraisals were used and documented. Members were advised that changes were being made to the Council's appraisal process and CMT were considering whether a less formal approach to the current PPR process would be desired, whilst still capturing training and development needs.

RESOLVED: That the report be noted.

35 DRAFT INTERNAL AUDIT PLAN 2018-19

The Head of Audit Partnership presented the proposed Internal Audit Plan for 2018/19 which provided a breakdown of audits and an analysis of days available.

The Audit Plan supported the Audit Charter and set out the planned areas of audit work for the next year with indicative proposals for future years. The plan had been modified to reflect emerging risks and opportunities identified by the Chief Executive, Directors and the links to the Council's Corporate Plan and Corporate Risk Register. In addition the top ten identified risks by the Institute of Internal Audit were considered for inclusion.

The Audit Plan 2018/19 proposed 270 days and 19 audits, working on the basis that the highest risk areas would be reviewed as a priority and all of the medium risk areas would be reviewed.

RESOLVED: That the Council's Internal Audit Plan for 2018/19 be approved.

36 TREASURY MANAGEMENT QUARTER THREE REPORT 2017/18

The Head of Finance presented the Treasury Management report for Quarter 3 2017/18.

Arlingclose Limited were appointed as of 1st April 2017 as the Council's treasury advisors and had proposed various investment options that would help to improve returns and spread risk. It was proposed by the Investment Advisory Group at their meeting on 4 October 2017 to deposit up to £28m into a number of pooled investment funds to improve income. The investment return for the year-to-date was 0.65%, which outperformed the benchmark by 0.25%. Actual interest and dividends income to the end of December was £316k, an increase compared with the year-to-date budget of £229k.

The Council remained within its Treasury Management and Prudential Code guidelines during the period.

RESOLVED: That the report be noted.

37 ANNUAL GOVERNANCE ASSURANCE STATEMENT

The Director of Governance presented the forward looking action plan for the Annual Governance Assurance Statement to the Committee which provided a list of actions which needed to be completed during the year and the progress to date.

It was reported that the actions were progressing as planned and the Council's Constitution was regularly reviewed and updated where necessary. A report of the latest revisions to the Constitution would be brought to the next meeting of the Committee.

RESOLVED: That the report be noted.

38 EXTERNAL AUDIT PLAN

The Engagement Lead – Grant Thornton presented the report which provided an overview of the planned scope and timing of the statutory audit of Dover District Council and directed Members to the summary of the Significant Risks set out within the report.

RESOLVED: That the report be noted.

39 ANNUAL COMPLAINTS REPORT

The Director of Governance presented the Annual Complaints Report to the Committee which provided the number of complaints dealt with through the corporate complaints process for the previous and current financial years.

Members were advised that a low number of complaints had been received and the Director of Governance was satisfied with the way complaints were dealt with. There were significant increases in the complaints received for Environmental Health Fixed Penalty Notices (FPNs) and Planning Enforcement. FPNs were now issued by Kingdom and the number of notices issued had greatly increased which probably accounted for the increase in complaints due to the public being unhappy with the fine.

RESOLVED: That the report be noted.

40 REVIEW OF THE CONSTITUTION - GENERAL REVISIONS

The Director of Governance advised Members that the Review of the Constitution – General Revisions report was to be deferred to the next meeting of the Governance Committee.

41 REVIEW OF THE CONSTITUTION 2018 - TRAINING AND DEVELOPMENT FOR MEMBERS

The Director of Governance introduced the report to the Committee which requested changes to the Constitution as a result of the annual review by the Monitoring Officer.

As part of the 2017/18 review, changes were proposed to the training requirements as detailed in Article 13 to serve on the Licensing, Regulatory, Governance and Planning Committees. It was proposed to extend the training requirement of these committees to be undertaken at least once each council year, in addition to the initial start of the new 4 year Council and in the event of the membership changes to one of the committees.

RESOLVED: That it be recommended to Council that the proposed changes as part of the 2017/2018 Review of the Constitution relating to Part 2 – Articles of the Constitution, specifically Article 13 – Decision Making Appendix B to E (Training Criteria for various committees) as detailed at para 2.1 of the report be approved and incorporated into the Council's Constitution, issue no. 21.

Amendments to Article 13 Appendix D are approved as shown at Annex 1 to the report and the Director of Governance and Monitoring Officer be authorised to make any associated incidental changes to the Constitution.

The meeting ended at 7.00 pm.