

Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 6 December 2012 at 6.04 pm.

Present:

Chairman: Councillor T J Bartlett

Councillors: S J Jones  
G Lymer (In place of K E Morris)  
M A Russell  
P Walker (In place of A S Pollitt)

Also Present: Lynn Clayton, Engagement Manager – Grant Thornton  
Emily Hill, Engagement Lead – Grant Thornton

Officers: Director of Finance, Housing and Community  
Director of Governance  
Head of Audit Partnership (East Kent Audit Partnership)  
Deputy Head of Audit  
Senior Accountant (Revenue)  
Team Leader - Democratic Support

335 APPOINTMENT OF SUBSTITUTE MEMBERS

In accordance with Council Procedure Rule 4, Councillors G Lymer and P Walker were appointed as substitute members for Councillor K E Morris and A S Pollitt respectively.

336 DECLARATIONS OF INTEREST

There were no declarations of interest from Members.

337 MINUTES

The Minutes of the meeting of the Committee held on 27 September 2012 were approved as a correct record and signed by the Chairman.

The Director of Governance advised Members that a special meeting of the Governance Committee would be called in late January/early February 2013 to consider the Review of the Constitution.

338 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Head of Audit Partnership (East Kent Audit Partnership) presented the quarterly internal audit update report. The report summarised the work undertaken to 30 September 2012 and the Committee was informed verbally that as of 30 November 2012, the partnership had completed 209 days of work which was equivalent to approximately 69% of Dover District Council's agreed audit plan. It was expected that the partnership would deliver 98% of planned work by year end.

There had been 14 completed audits during the quarter and overall there were no areas of concern. The 14 audits had resulted in 3 substantial assurances, 1 split substantial/reasonable, 9 reasonable (5 of which related to shared services) and one audit (EK Services – Housing Benefit Quarterly Testing) for which an assurance level was not applicable. In respect of the audit of Homelessness of Young People,

it was found that the necessary practices and controls were now in place. It was acknowledged that while the use of temporary bed and breakfast accommodation was not ideal for young people there were limited alternative options available to the Council within Dover.

The Director of Finance, Housing and Community advised that the Youth Homelessness Action Plan identified the provision of suitable accommodation as an area that needed to be addressed and this would be investigated further to see if suitable alternatives could be delivered. Councillor G Lymer emphasised the importance of Social Services' role in assessing the needs of vulnerable young people in temporary accommodation to ensure that received the support they needed.

The Committee was informed that 3 audits had been deleted from the agreed audit plan:

- Contingency for an audit of VfM Strategy or Contribute to DES Projects;
- Insurance and Inventories of Portable Assets;
- Business Continuity & Emergency Planning; and
- HR Systems Development: I-Trent Project

In respect of the Business Continuity and Emergency Planning audit it was stated that this had been pushed back into the next financial year when the work could be accommodated.

RESOLVED: That the update report be received and noted.

### 339 TREASURY MANAGEMENT QUARTER TWO REPORT

The Director of Finance, Housing and Community presented the Quarter 2 report on Treasury Management to the Committee, reminding Members that the report had been written prior to the Chancellor's Autumn Statement. Overall, the Council's internally managed investments and its investments managed externally by Investec had outperformed the LIBID benchmark while still meeting the priorities set for investment of Safety, Liquidity and Return, in that order. The total interest received for the quarter was £80,000 above budget for the period.

The Council's investment priorities remained security first, liquidity second and returns third, so returns were likely to remain low in a low interest rate climate. However, it was felt that events in Iceland during the 2008 financial crisis continued to justify this approach.

RESOLVED: That the report be received and noted.

### 340 PLANNED AUDIT FEE FOR 2012/13

Ms E Hill presented the planned audit fee letter for 2012/13 to the Committee and introduced herself as the new Engagement Lead for Grant Thornton following its appointment as auditors to the Council. It was stated that there would be a degree of continuity from the previous arrangements with Ms L Clayton and Ms S Bubb remaining part of the audit team for the Council.

The Committee was advised that the Scale Fee for 2012/13 represented a 40% reduction in cost in comparison to the Fee for 2011/12. A detailed Audit Plan would be produced once audit planning and interim audit procedures had been undertaken, which was expected to be completed by March 2013.

RESOLVED: That the Planned Audit Fee for 2012/13 be noted.

341 TERMS OF REFERENCE OF THE JOINT HEALTH, SAFETY AND WELFARE CONSULTATIVE FORUM

The Director of Governance informed the Committee that recent changes in legislation had moved responsibility for health and safety matters from the Council to the Cabinet and as a consequence there was a requirement for a constitutional change to the terms of reference for the Joint Health, Safety and Welfare Consultative Forum to reflect the new arrangements.

RESOLVED: That it be recommended to Council that the Terms of Reference for the Joint Health, Safety and Welfare Consultative Forum be amended to enable it to submit recommendations and advice on health and safety matters to the Cabinet.

The meeting ended at 6.50 pm.