

Public Document Pack

Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 3 December 2015 at 6.00 pm.

Present:

Chairman: Councillor P G Heath

Councillors: M R Eddy
D Hannent
M J Holloway
A F Richardson

Also Present: Emily Hill, Grant Thornton

Officers: Director of Governance
Director of Finance, Housing and Community
Head of Audit Partnership (East Kent Audit Partnership)
Deputy Head of Audit Partnership (East Kent Audit Partnership)
Head of Operations, East Kent Housing
Democratic Support Officer

30 APOLOGIES

Apologies for absence were received from Councillors S J Jones, A S Pollitt and G Rapley

31 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that, in accordance with Council Procedure Rule 4, Councillors M R Eddy and A F Richardson were appointed as substitute members for Councillors A S Pollitt and G Rapley respectively.

32 DECLARATIONS OF INTEREST

Councillor A F Richardson declared a Voluntary Announcement of Other Interests in respect of Minute no 34 by reason that his employer had dealings with the Museum and Dover Bronze Age Boat Trust.

33 MINUTES

The Minutes of the meeting of the Committee held on 22 September 2015 were approved as a correct record and signed by the Chairman.

34 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Deputy Head of Audit Partnership presented the Quarterly Internal Update report.

There had been eight Internal Audit reports completed during the period, resulting in three classified as providing Substantial Assurance (Dover Museum and VIC, Environmental Protection Service Requests, Bank Reconciliation), two as Reasonable Assurance (Capital and Waste & Recycling Collection Bin Review) and two concluded a split assurance level which was partially limited (EK Human Resources; Sickness Absence, Leave & Flexi and East Kent Housing – Sheltered and Supported Housing).

The Sickness Absence, Leave & Flexi figures were gathered from the three authorities – Dover, Canterbury and Thanet. The policies were reported as being up to date; although it was hoped the new EK People system should bring about some improvements in the monitoring and recording of sickness absence. It was requested by Councillor M J Holloway that a more detailed report by EK Human Resources identifying sickness absence specifically for Dover be brought to the Committee.

In respect of Sheltered and Supported Housing, the Head of Operations - EK Housing gave a verbal update to Members. The following addressed the findings set out on pages 19 & 20 of the report which gave rise to the Limited assurance audit opinion:

- In respect of the Independent Living Plans (ILPs), new forms for risk assessment and care had been developed and would be completed by the end of the next financial year.
- It was found that an old form for reporting adult and child protection incidents was on the intranet and this had since been updated.
- In terms of the Disclosure and Barring Service (DBS) process, DBS checks had been applied for, however due to administrative error these had expired. All Independent Living Managers (ILMs) had now completed a Disclosure and Barring Service (DBS) check.
- Fire Risk Assessments – there were still some outstanding actions from the earlier tenants' health and safety audit – priority was being given to sheltered schemes which represented the higher risk buildings.
- Support Workers in Enhanced Sheltered schemes had now completed the safeguarding training.

- RESOLVED: (a) That the Quarterly Internal Audit Update Report be noted.
- (b) That EK Human Resources provide a report on the processes and controls in the new EK People system, specifically focusing on the integrity of Dover sickness reporting to the next meeting of the Committee.
- (c) That a report specific to Dover is brought back to the next meeting of the Committee specifically covering the points specified in the report which gave rise to the Limited Assurance level for Sheltered and Supported Housing – East Kent Housing.

35 GOVERNANCE COMMITTEE UPDATE

The Engagement Lead – Grant Thornton presented the update to the Committee.

The Housing Benefit claim deadline had been met and would be reported in the annual certification letter at the next meeting of the Committee.

RESOLVED: That the update be noted.

36 ANNUAL AUDIT LETTER

The Engagement Lead – Grant Thornton introduced the Annual Audit Letter summarising the work carried out for the year ended 31 March 2015.

RESOLVED: That the Annual Audit Letter be noted.

37 TREASURY MANAGEMENT QUARTER TWO REPORT 2015/16

The Director of Finance, Housing and Community presented the Treasury Management Quarter Two report.

The Council had remained within Prudential Code guidelines and the investment return for the quarter was 0.50%, which outperformed the benchmark by 0.14%. A revised Treasury Management Strategy was approved by Council on 30 September 2015 and new long term accounts would be opened to bring the Council compliant within the Treasury Management Strategy Statement.

RESOLVED: That the Treasury Management Quarter Two report be noted.

38 APPOINTMENT OF EXTERNAL AUDITORS - LOCAL AUDIT AND ACCOUNTABILITY ACT 2014 AND THE LOCAL AUDIT (APPOINTING PERSON) REGULATIONS 2015

The Director of Governance presented the report to the Committee. Following an initial report brought to the Committee on 18 June 2015, Members were provided with an update on the routes available for the future appointment of External Auditors. Since the original report, further legislation in The Local Audit (Appointing Person) Regulations 2015 had provided an additional option of becoming an opted in authority for a sector led appointment of the auditor, rather than the need for an Auditor Panel.

- RESOLVED: (a) That the Committee notes the issues arising for this Council from the provisions of the Local Audit and Accountability Act 2014 and The Local Audit (Appointing Person) Regulations 2015.
- (b) That the Committee agrees that this Council seeks to opt in to the sector led procurement of the external audit service as outlined in option 1 of the report.
- (c) That the Council be recommended to accept an invitation to become an opted in authority for the purpose of appointing a local auditor to audit the accounts of this Council at the appropriate time.

The meeting ended at 7.05 pm.