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Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 1 December 2016 at 6.00 pm.

Present:

Chairman: Councillor P G Heath

Councillors: M R Eddy (as substitute for Councillor A S Pollitt)
B J Glayzer (as substitute for Councillor A F Richardson)
D Hannent
P I Carter
S J Jones

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

26 APOLOGIES

Apologies for absence were received from Councillors A R Richardson and A S Pollitt.

27 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that, in accordance with Council Procedure Rule 4, Councillors B J Glayzer and M R Eddy had been appointed as substitutes for A R Richardson and A S Pollitt respectively.

28 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

29 MINUTES

The Minutes of the meeting of the Committee held on 29 September 2016 were approved as a correct record and signed by the Chairman.

30 ORDER OF BUSINESS

The Chairman proposed that the order of business be changed to allow for agenda items 9, 10 and 11 be considered before item 8.

RESOLVED: That, in accordance with Council Procedure Rule 14, the order of business be amended in order that agenda items 9, 10 and 11 be considered before item 8.

31 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Head of Audit Partnership (East Kent Audit Partnership) introduced the Quarterly Internal Update report. There had been seven internal audits undertaken during the period of which one was classified as providing Substantial Assurance, one classified as providing Substantial/Reasonable Assurance, four as Reasonable Assurance and one as Limited.

Members were concerned with the Limited Assurance awarded for the service provisions for playgrounds and that the processes in place for assuring the adequacy and effectiveness for the service were not effective. An action plan to address the findings had been completed; Members requested that following a meeting between management and internal audit to discuss the action plan, an update be provided to the Committee.

There were nine follow up reviews completed during the period, of which East Kent Housing (EKH) – Repairs, Maintenance and Void management remained as receiving Limited Assurance. Following a recent EKH Finance and Audit Sub-Committee meeting Members were updated with the following in response to the revised Limited Assurance level:

- There were new processes in place since May 2016 for Post Inspections;
- A restructure of Property Services was now in phase 2;
- There was a new planned maintenance (both capital and cyclical) investment plan;
- The new service improvement plan was due to go to the Task and Finish group; and
- There was a delay on the single system and as a result this had a knock on effect on to some of the recommendations.

A high priority recommendation after follow-up was still outstanding for the service EK Services – Physical and Environmental Controls for the installation of a gaseous fire suppressant system for DDC. As this was a fire risk Councillor D Hannent wanted this to be high on the list of priorities as the proposed completion date of March 2016 had long since passed and still no agreement had been reached. He asked that the issue be followed up and reported back to the Committee.

- RESOLVED: (a) That the Quarterly Internal Audit Update report be noted.
- (b) That the Committee receive an update on the processes in place for assuring the adequacy and effectiveness for the service provisions for playgrounds following the meeting between management and internal audit.

- (c) That the Committee receive an update regarding the outstanding high priority recommendation for EK Services – Physical and Environmental Controls.

32 QUARTER TWO TREASURY MANAGEMENT REPORT

The Director of Finance, Housing and Community presented the Treasury Management Quarter Two Report 2016/17.

The Council had remained within its Treasury Management and Prudential Code guidelines during the period. Whilst interest rates remained low the Council's investment return for the quarter had outperformed the benchmark by 0.32% although this return was expected to reduce by the year-end as interest rates on new and rolled over deposits were due to fall. The Council's performance for the full year was estimated to be £335k, just slightly ahead of budget.

RESOLVED: That the Treasury Management Quarter Two Report 2016/17 be received.

33 ANNUAL AUDIT LETTER 2015/16

Members were directed to the Annual Audit Letter and asked to note the report received from Grant Thornton.

RESOLVED: That the Annual Audit Letter be noted.

34 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor D Hannent, duly seconded and

RESOLVED: That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting on the grounds that the items to be considered involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 Schedule 12A of the Act.

35 ANNUAL DEBT COLLECTION REPORT - EAST KENT SERVICES

The Director of Finance, Housing and Community presented the Annual Debt Collection Report for East Kent Services to the Committee. The purpose of the report was to advise Members of the value of income collected and write-offs in 2015/16.

RESOLVED: That the report be received and note:

- (a) The value of income collected and write-offs for each type of income, as set out in the report;

- (b) The generally high collection rates;
- (c) The aged debt profile;
- (d) The increasing arrears for housing benefit overpayments and leasehold service charges;
- (e) The additional points set out in paragraph 8 of the report.

36 ANNUAL DEBT COLLECTION REPORT - EAST KENT HOUSING

The Director of Finance, Housing and Community presented the Annual Debt Collection Report for East Kent Housing to the Committee. The purpose of the report was to advise Members of the value of income collected and write offs undertaken by East Kent Housing on Dover District Council's behalf in 2015/16.

RESOLVED: That the report be noted and note:

- (a) The value of income collected and write-offs for each type of income, as set out in the report;
- (b) The generally high collection rates;
- (c) The aged debt profile;
- (d) The requirement to raise invoices for rechargeable works more promptly.

37 RESOLUTION TO RE-ADMIT THE PRESS AND PUBLIC

It was proposed by Councillor D Hannent, duly seconded and

RESOLVED: That the press and public be re-admitted to the meeting for the remaining business on the agenda.

38 REVIEW OF THE CONSTITUTION 2016

The Director of Governance presented the Review of the Constitution 2016 undertaken in accordance with Article 15 of the Council's Constitution which provided for an annual and ad-hoc review. The review incorporated a number of changes to the functions of the Planning Committee (Part 3, Responsibility for Functions, Sections 1 and 2) and to the Scheme of Officer Delegations (Part 3, Section 6, Sub Section C).

The proposed changes to Sections 1 and 2 were to make the functions more transparent and easier to understand to prevent challenge. The Committee received

an update to the report to amend the Council Function, Delegation to Head of Regeneration and Development item 21 (h) to read:

“(h) Powers to enter into planning obligations, to modify and discharge planning obligation and related powers.”

The proposed changes within Section 6 reflected organisational changes and as with Sections 1 and 2, made the functions more transparent and easier to understand.

Members asked that officers be thanked for their work in producing the report and

RESOLVED: (a) That it be recommended to Council that the proposed changes in the Review of the Constitution 2016, specifically relating to Part 3, Responsibility for Functions, Section 1 (Responsibility for Local Choice Functions), Section 2 (Responsibility for Council 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. 20) subject to the following amendment:

Council Function, Delegation to Head of Regeneration and Development item 21 (h) to read:

“(h) Powers to enter into planning obligations, to modify and discharge planning obligation and related powers.”

(b) That it be recommended to Council that the proposed changes in the Review of the Constitution 2016, specifically relating to Part 3, Section 6, Sub Section C (Scheme of Officer Delegations) that relate to executive functions be approved.

The meeting ended at 6.42 pm.