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Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 13 December 2018 at 6.00 pm.

Present:

Chairman: Councillor P G Heath

Councillors: B W Butcher
P I Carter
R J Frost
B Gardner (as substitute for Councillor M I Cosin)
D Hannent
P M Wallace (as substitute for Councillor S F Bannister)

Also Present:

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

28 APOLOGIES

Apologies for absence were received from Councillor S F Bannister and M I Cosin.

29 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that, in accordance with Council Procedure Rule 4, Councillors P M Wallace and B Gardner were appointed as substitute members for Councillors S F Bannister and M I Cosin respectively.

30 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

31 MINUTES

The Minutes of the meeting held on 27 September 2018 were approved as a correct record and signed by the Chairman.

32 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Deputy Head of Audit Partnership (East Kent Audit Partnership) introduced the Quarterly Internal Update report to the Committee. For the six month period to 30 September 2018 114.99 chargeable days were delivered, equating to 47.34% plan completion and a projection of 95% completion of the plan across all partners by 31 March 2019.

There had been eight internal assignments completed during the period of which the following assurances were received:

Service	Assurance Level
EKHR Apprenticeships	Substantial/Reasonable
EKS ICT Procurement and Disposal	Reasonable
EKS Housing Benefit Discretionary Housing Payments	Reasonable
White Cliffs Countryside Partnership & Up on the Downs Landscape Scheme	Reasonable
Project Management	Reasonable
EKS Public Sector Network Compliance	Not applicable
Private Sector Housing & HMO Licensing	Limited
East Kent Housing – Contract Management	Limited

In response to the Limited assurance given to Private Sector Housing and HMO Licensing, management had provided a written reply which addressed the inconsistencies between the paper register, M3 and the web. Management advised that all future applications would be scanned and entered onto M3. In addition, the minor error in the Fees and Charges report would be amended for the 2019/20 report. Progress Reports regarding other services previously given Limited/No Assurance, namely Inward Investment and Homelessness would come forward to future meetings also. (East Kent Housing – Contract Management would be discussed later in the agenda after the exclusion of the press and public.) A total of four follow-up reviews had been completed and all had concluded at least Reasonable Assurance, no Limited Assurances were given after follow up.

Councillor D Hannent queried how he could access the ‘Guide to Project Management for Dover District Council’. It was reported it was available on the intranet which Members did not have access to. The guide was in the process of being revised and access to the guide would be discussed during the follow up review, which was expected to be completed within the next few months. In the meantime, the Director of Governance would provide a copy of the document to Councillor Hannent.

RESOLVED: That the report be noted.

33 TREASURY MANAGEMENT QUARTER 2 REPORT 2018/19

The Head of Finance presented the Treasury Management report for Quarter Two 2018/19 to the Committee.

It was reported that the Council’s investment return for the period to September was 2.02% which outperformed the benchmark by 1.28%. The projected investment return for 2018/19 was £1,173k, which was £174k better than the original budget

estimate of £999k. Following an opportunity to repurchase the Council's Lender Option Borrower Option (LOBO) from LA Finanz due to their selling of their LOBO, a successful bid was made and work was underway to complete the transaction.

Members discussed the Non-Treasury Investments and the Property Investment Strategy. Both Councillors B Gardner and R J Frost were concerned that decisions involving property investments, most recently the Co-Op and B&Q sites, were being made by the Portfolio Holder and the relevant Project Advisory Groups were not being consulted. Members were advised that their concerns should be directed to the relevant Scrutiny Committee.

RESOLVED: That the report be received and noted.

34 ANNUAL GOVERNANCE ASSURANCE STATEMENT - ACTION PLAN UPDATE

The Director of Governance presented the Annual Governance Assurance Statement – Action Plan Update to the Committee which provided a list of the progress to date.

It was acknowledged that some Member complaints referred to investigation had taken too long to be investigated. The Director of Governance advised that a different approach and new procedures were being introduced to ensure that any further complaints would be dealt with in a timely manner.

RESOLVED: That the report be noted.

35 ANNUAL COMPLAINTS REPORT

The Director of Governance presented the Annual Complaints Report to the Committee which provided the number of complaints received for each service provided by the Council for the financial years 2016/17 and 2017/18.

Members' attention was drawn to the table within the report which documented the number of complaints received and had remained relatively consistent with previous years. A complaint relating to administrative failings during the processing of a community grant and which was received by the Local Government and Social Care Ombudsman was upheld and an apology and compensation for the delay was awarded.

RESOLVED: That the report be noted.

36 REVIEW OF THE CONSTITUTION 2018 - SENIOR MANAGEMENT RESTRUCTURE FROM 1 JANUARY 2019

The Director of Governance presented the report to the Committee which set out the required changes to the Constitution as a result of the Senior Management Restructure as of 1 January 2019 and specifically, the removal of the Director of Governance post, the redistribution of functions and the appointment of the Solicitor of the Council as the Monitoring Officer from that date. The proposed changes were as followed:

- a) Removal of reference to the Director of Governance and the re-distribution of his functions.

- b) Re-designation of functions from the Director of Governance to the Monitoring Officer.
- c) Amendments to the Scheme of Officer Delegations to reflect the new Head of Service titles roles and responsibilities and reporting lines.
- d) Other resultant job titles changes with the Constitution.
- e) Inclusion of descriptors for the Senior Information Risk Owner and Data Protection Officer.
- f) Contract Standing Orders.

RESOLVED: (a) That it be recommended to Council that the proposed changes in the Review of the Constitution – Senior Management Restructure from 1 January 2019, specifically relating to Article 12 – Officers, Part 3 Section 6, Sub Section C (Scheme of Officer Delegations) that relate to Council functions, Part 7 Management Structure and Part 10 Proper Officer Appointments be approved and incorporated into the Council’s Constitution, issue no. 22.

(b) That it be recommended to Council that the proposed changes in the Review of the Constitution 2018, specifically relating to Part 3, Section 6, Sub Section C (Scheme of Officer Delegations) that relate to executive functions be approved.

(Note: The Leader of the Council will be asked separately to approve any changes relating to executive functions but the Council is asked to approve the Scheme of Officer Delegations in its totality in the event that there has been an erroneous misclassification of functions.)

37 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor B W Butcher, duly seconded and

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

38 QUARTERLY INTERNAL AUDIT - EAST KENT HOUSING CONTRACT MANAGEMENT

The Head of Audit Partnership introduced the East Kent Housing Contract Management audit to Members. The Director of Customer Services (East Kent Housing) was also in attendance to answer Members’ questions. The scope of the review was ‘to provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the organisation derives the maximum possible value and the highest level of performance and customer satisfaction from its planned maintenance contracts.’

East Kent Housing had invited the audit of the service and a sample of five contracts were reviewed with each receiving its own level of assurance. The findings and recommendations had been accepted by East Kent Housing and were

being addressed with the expectation that the follow up review and revised assurances would be reported to the next meeting of the committee.

RESOLVED: That the report be noted.

The meeting ended at 7.22 pm.