



Annual Report 2019/20

Governance Committee

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Foreword by Chairman of the Committee

This report summarises the work of the Committee during the preceding year and concludes that once again it received clear, concise and relevant information together with timely reports and actions taken in response to Members' requests.

The Governance Committee continued to be assured of the integrity and reliability of data held in financial statements and the work undertaken by Internal and External Audit provided detailed assurance on those areas of the Council's work which were the subject of reports.

The assurances from the Strategic Director (Corporate Resources), Strategic Director (Operations and Commercial) and Head of Governance and the work of Internal and External Audit together support the Committee in forming their opinion of the financial statements, enabling them to agree to sign them off in accordance with the regulations.

I am also pleased to report that the Corporate Complaints and Member Complaints processes continue to work well.

The submission of this Annual Report continues to enhance the effective communication between the Committee and all sections of the Council including the Executive, Statutory Officers, the Head of Internal Audit, External Audit and other stakeholders.

Councillor David Hannent
Chairman of the Governance Committee

Head of Governance Statement

The **Delivering Good Governance in Local Government Framework** (2016 Edition) identifies seven core principles of good governance, with associated sub principles. Of particular relevance are:

- **Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**
 - **Sub Principle: Demonstrating strong commitment to ethical values**
- **Core Principle F. Managing risks and performance through robust internal control and strong public financial management.**
 - **Sub Principle: Robust Internal Control**
- **Core Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**
 - **Sub Principle: Implementing good practices in reporting**

This report summarises the achievements of the Governance Committee against its Terms of Reference for the period 1 April 2019 to 31 March 2020 and details the impact that it has made on the overall system of internal control in operation for that period. In particular the Committee has effectively provided an independent assurance on the risk and control framework of this Council and over recent years, has taken responsibility for the functions relating to corporate service complaints and member conduct previously the responsibility of the former Standards Committee.

As the Head of Governance I am therefore satisfied that the Governance Committee is operating effectively, has delivered its functions as outlined in its Terms of Reference and has contributed to the achievement of the core and sub principles. This is evidenced by:

Consideration of the Annual Governance Assurance Statement.

Ensuring that the Council has an effective internal control mechanism.

Ensuring that the corporate complaints process and the Kent Model Code of Conduct and associated arrangements continue to work well.

Internal Audit reporting quarterly to the Governance Committee on progress against the approved audit plan, providing details of the assurance levels for each audit assignment and any key control weaknesses.

The Head of Internal Audit providing an annual internal audit report to the Governance Committee, which reports on the internal control environment and provides an overall audit assurance for the financial year.

Louise May
Head of Governance

The Role of the Governance Committee

The role of the Governance Committee is set out in the Council's Constitution. The seven appointed members of the Council provide independent assurance of the adequacy of the risk management framework and the associated control environment together with independent review of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment. The Committee oversees the financial reporting process by considering the final Statement of Accounts and promotes high standards of conduct amongst the 32 members of Dover District Council and (up to) 317 members of Town and Parish Councils in the District.

Work Undertaken During 2019/2020

1. The Accounts and Audit (England) Regulations 2015 require the Council to, at least annually, review the effectiveness of its System of Internal Control, and then publish a statement on internal control within the Annual Governance Assurance Statement. The Council's Corporate Management Team accepted the 2018/19 Annual Governance Assurance Statement and authorised the Chief Executive to sign it following consultation with the Council's S151 Officer and Monitoring Officer. On 3 June 2019, Cabinet considered the 2018/19 Annual Governance Assurance Statement and the Leader of the Council approved the Statement. The Statement was then considered by the Governance Committee at its meeting on 27 June 2019.
2. Routinely, the Governance Committee would have received an update on progress against the agreed actions from the annual governance assurance process. This has not yet taken place due to the Covid-19 pandemic but the Committee remain able to request service managers and, where necessary, the relevant portfolio holder to attend the committee to give an update on progress against agreed actions to reduce risk and/or improve governance.
3. The Committee oversees the Council's corporate complaints procedures. The period 1 April 2019 to 31 March 2020 has seen 117 corporate complaints processed through the Council's formal complaints procedure. This is an increase of 21 from the previous financial year. The service areas which saw the majority of the increase in the number of formal complaints were council tax/business rates, building control and environmental protection.
4. The Local Government Ombudsman received 9 complaints and enquiries against the Council during the 2018/19 municipal year. One complaint was upheld by the Ombudsman in 2018/19. It related to planning enforcement where the wrong property was initially identified leading to delay and frustration for the complainant. The Council apologised to the complainant for the error. Data relating to the municipal year 2019/20 will be available from the Local Government Ombudsman in due course and will be reported to the Governance Committee.

5. Complaints against Elected or Co-opted Members. The Monitoring Officer, in consultation with the Independent Person(s) holds a private consideration meeting to receive complaints against co-opted or elected members in accordance with the arrangements governing the Code of Conduct. Should the Monitoring Officer decide that further investigation is required an Investigating Officer will be appointed. Where the investigation finds evidence of a failure to comply with the Code of Conduct, the Monitoring Officer can decide to take no action, seek informal resolution or refer the matter for consideration by a Hearing Panel.
6. The following information contains no details of the names of elected or co-opted members about whom complaints have been made and is intended for use as a summary of activities only.
7. The municipal year 2019/20 has seen the Monitoring Officer receive 15 complaints, an increase of 2 when compared against the previous year. The Governance Committee Hearing Panel was not called upon to meet during 2019/20.
8. The 15 complaints received in 2019/20 related to members at 8 authorities.
9. The Committee considered the effectiveness of Internal Audit by reviewing the annual assessment of the Strategic Director (Corporate Resources) (S151 Officer) and the Monitoring Officer (, the view of External Audit; and the quality of reports, actions and follow up through the quarterly reports submitted throughout the year to Committee. The quarterly Internal Audit reports have included the following Council services or topics:

Audit Area	Assurance Level
Food Safety	Substantial
EKS Debtor Accounts	Substantial
EKHR Absence Management	Reasonable
Bank Reconciliation	Reasonable
Data Protection	Limited
EKS – Housing Benefit Quarterly Testing – Quarters 3 and 4 2018/19	Not Applicable
EKS/Civica – Housing Benefit Appeals	Substantial
EKHR – Payroll	Reasonable
Printing, Photocopying, Postage and Media	Reasonable
Procurement	Reasonable/Limited
Building Control	Reasonable/No
East Kent Housing – Tenant Health & Safety	Limited/No
EKS – ICT Physical & Environment	Substantial
Community Safety	Substantial
Waste Management & Street Cleansing	Reasonable/Limited
EKS – ICT PCI-DSS	Reasonable/Limited
Risk Management	Reasonable
EKS – Housing Benefit Quarterly Testing – Quarters 1 and 2 2019/20	Not Applicable
East Kent Housing – Welfare Reform	Substantial
EK Services – Business Rates Credits & Reliefs	Substantial

Audit Area	Assurance Level
Members' Code of Conduct & Standards Arrangements	Substantial
Let Commercial Properties and Concessions	Reasonable
Dover Museum & VIC	Reasonable
East Kent Housing – Compliance Indicators Data Quality	Reasonable

Follow up reviews completed throughout the year are shown in the following tables:

Audit Area	Original Assurance level	Revised Assurance level
Project Management	Reasonable	Reasonable
Grounds Maintenance	Reasonable	Reasonable
Service Contract Monitoring	Reasonable	Reasonable
East Kent Housing – Contract Management	Limited	Reasonable/Limited
EKS ICT Software Licensing	Reasonable	Reasonable
EKHR Apprenticeships	Substantial/Reasonable	Substantial/Reasonable
EKHR Allowances & Expenses	Substantial/Reasonable	Substantial/Reasonable
Private Sector Housing & HMO Licensing	Limited	Limited
White Cliffs Countryside Partnership	Reasonable	Reasonable
EKS/Civica Discretionary Housing Payment	Reasonable	Substantial
Capital	Substantial	Substantial
East Kent Housing – Data Protection and Records Management	Reasonable	Reasonable
East Kent Housing – Risk Management	Reasonable	Reasonable
East Kent Housing – Tenant Health & Safety (Gas Safety)	Limited	Substantial
East Kent Housing – Tenant Health & Safety (Legionella)	No	Reasonable
EKS/Civica – Sundry Debtors	Substantial	Substantial
Waste Management & Street Cleansing	Reasonable/Limited	Reasonable
East Kent Housing – Tenant Health & Safety (Electrical Safety)	No	Limited
Building Control	Reasonable/No	Reasonable
EK Services/ICT Procurement & Disposals	Reasonable	Reasonable
GDPR Compliance	Limited	Limited
Procurement	Reasonable/Limited	Reasonable/Limited

10. The Committee received the Statement of Accounts 2018/19 (final accounts) with an unqualified audit opinion at its meeting in September 2019.

Work Programme for 2020/21

2020/21 Governance Committee	
Date *	Main Agenda Items
June 2020	Internal Audit Annual Report Internal Audit Quarterly Progress Report
July 2020	Quarterly Treasury Management Reports (3 & 4) Grant Thornton's Quarterly update Review of Member Code of Conduct Consultation on Draft Model Code of Conduct
September 2020	Internal Audit Quarterly Progress Report Grant Thornton's Quarterly update Corporate Complaints update Review of the Constitution Annual Debt Collection Reports Annual Governance Assurance Statement Quarterly Treasury Management Report
November 2020	Internal Audit Quarterly Progress Report Annual Governance Assurance Statement Action Plan – progress report Grant Thornton's Quarterly update Statement of Accounts 2019/20 Quarterly Treasury Management Report
March 2021	Internal Audit Annual Plan 2021/22 Internal Audit Quarterly Progress Report Grant Thornton's Quarterly update Quarterly Treasury Management Report Risk Management and Value for Money Update

As a result of the Covid-19 pandemic some items within the Work Programme for 2020/21 have been moved to later in the year.

* Meeting Dates to be confirmed at Annual Council on 22 July 2020