



Annual Report 2022/23

Governance Committee

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Foreword by the outgoing 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 and Regulatory), Strategic Director (Finance and Housing), Strategic Director (Place and Environment) and the work of Internal and External Audit together support the Committee in forming their opinion of the financial statements. In July 2021 the Committee reviewed the draft financial statements for 2019/20 and resolved that upon completion of the audit the Statement of Accounts for 2019/20 be approved and signed by the Chairman of the committee. The audit process undertaken by Grant Thornton (the external audit provider) was fully completed in November 2022 and the accounts were approved by the Governance Committee and signed on 1 December 2022. The audit of the 2020/21 accounts started in January 2023 and is anticipated to be completed in July 2023, with consideration by Governance Committee in September 2023. As the closing figures for 2020/21 are the opening figures for 2021/22 financial statements the 2021/22 financial statements are awaiting the completion of the 2020/21 audit before they can be completed and published.

I am 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 2022/23

Strategic Director (Corporate and Regulatory) 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 2022 to 31 March 2023 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 Strategic Director (Corporate and Regulatory), 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

Strategic Director (Corporate and Regulatory)

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 2022/2023

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. Usually, publication of the statement is required by 31 July each year. However, as a result of the Covid-19 pandemic, the Regulations were amended and the statement of publication was due by 30 September 2022. There was therefore a delay to the usual timetable in presentation of the statement for approval. On 5 September 2022, Cabinet considered the 2021/22 Annual Governance Assurance Statement and requested the Leader of the Council and the Head of Paid Service sign the Statement. The Statement was then considered and approved by the Governance Committee at its meeting on 29 September 2022.

Corporate Complaints

2. The Committee oversees the Council's corporate complaints procedures. The period 1 April 2022 to 31 March 2023 has seen 260 corporate complaints processed through the Council's formal complaints procedure. This is a decrease of 18 from the previous financial year. The service areas where we have seen the majority of changes is in Waste Services where for 2021/22 the Council received 120 complaints whereas in 2022/23 there were 12 formal complaints received. The number of complaints in the previous year for waste services were due to implementation of the new contract and these issues have now been resolved. There was an increase in 2022/23 of 22 complaints for each of council tax, housing repairs and housing options. Having reviewed the records, we can see no specific trends but will continue to monitor the situation.
3. The Local Government and Social Care Ombudsman dealt with 23 complaints and enquiries against the Council during the 2021/22 municipal year, one of which was upheld. Data relating to the municipal year 2022/23 will be available from the Local Government and Social Care Ombudsman in due course and will be reported to the Governance Committee.

4. The Housing Ombudsman received two complaints against the Council during the 2021/22 financial year, one of which was upheld.

Complaints against Elected or Co-opted Members of the District, Town and Parish Councils

5. The Monitoring Officer meets in private with the Independent Person(s) to assess complaints against co-opted or elected members in accordance with the Arrangements for dealing with Code of Conduct Complaints under the Localism Act 2011 which have been adopted by the Council. Should the Monitoring Officer (acting in consultation with the Independent Persons) 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 2022/23 has seen the Monitoring Officer receive 33 complaints, which is the most received in a single year in the last decade and is significantly higher than the average of 15 cases per annum. In contrast the 23 complaints received in 2021/22 was previously considered a high number. The nature and complexity of the complaints has also increased during 2022/23 compared to previous years which has an impact on resourcing and has led to delays at all stages in the process. In particular, it has been noted that complainants have tended to submit significantly more documentary evidence with their complaints, often by way of background.
8. The following tables summarise complaints received by reference to authority type, complainant type, action taken on complaints and reasons for taking no further action. The figures are correct as of 31 March 2023.

Table A – Breakdown of complaints by type of authority

Authority Type	Number of Complaints Received
Dover District Council	3
Town/Parish Council	30
	Total 33

Table B – Breakdown of complaints by type of complainant

Complainant Type	Number of Complaints Received
Councillor (Town/Parish/District)	11
Council Employee	3
Member of the Public	19
	Total 33

Table C – Summary of Actions Taken

Action Taken	Number of Complaints
Referred to Investigation	3
Informal Resolution	1
No Further Action	25
Awaiting Initial Consideration (as of 31 March 2023)	2
Other Action (as of 31 March 2023)	2
	Total 33

Table D- Summary of Reasons for No Further Action

Reasons for No Further Action	Number of Complaints
Member did not appear to be acting in an official capacity at the time of the conduct complained of.	10
Even if the facts could be established as a matter of evidence the alleged conduct would not be capable of being a breach of the Code of Conduct.	7
The complaint is about dissatisfaction with a council's decisions, policies and priorities etc.	1
Other	7
	Total 25

9. The amount of work involved in the processing of each complaint is not inconsiderable. Each complaint received typically involves the following – even if it does not result in any further action.
- Logging and allocating individual reference on receipt.
 - Correspondence with complainant, subject member and clerk to town/parish council (if the subject member is a town/parish member).
 - Arranging meeting of Monitoring Officer and Independent persons.
 - Collation of agenda papers for meeting of Monitoring Officer and Independent Persons.
 - Meeting of Monitoring Officer and Independent Persons.
 - Preparation of detailed decision notice setting out the decision taken and the reasons for it.
 - Correspondence with complainant, subject member and clerk to town/parish council (if the subject member is a town/parish member).

If further action is required, (such as referral to investigation), the resource requirement increases.

10. The 33 complaints received in 2022/23 related to members at 8 authorities, an increase from 7 authorities the previous year. It should be noted that a members of a single town/parish council have been the subject of 17 of the 33 complaints received.
11. The Governance Committee Hearing Panel has not meet during 2022/23 but is expected to meet in the early part of the municipal year 2023/24. There have been three cases referred to investigation in the last year and a further two from the previous

year have concluded investigations in 2022/23. In accordance with Annex 1 of the Arrangements, it is reported that there were no decisions of Informal Resolution agreed with the subject member in respect of complaints. As of 31 March 2023, there was one proposed decision of Informal Resolution that was awaiting response from the parties concerned.

Audit

12. The Committee considered the effectiveness of Internal Audit by reviewing the annual assessment of the Strategic Director (Finance and Housing) (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
EKS ICT Procurement and Disposal	Substantial
Environmental Protection – Contaminated Land, Pollution, Air and Water Quality	Reasonable
CSO Compliance	Reasonable
Recruitment and Leavers	Reasonable
Tenancy and Estate Management	Not Applicable
Sheltered Housing	Substantial
Complaints Monitoring	Substantial
EKS – Performance Indicators	Substantial
Budgetary Control	Reasonable
EKS – Housing Benefit Quarterly Testing 2021/22 Quarters 3 and 4	Not Applicable
HMO Licensing	Reasonable
Food Safety	Substantial
Payroll	Substantial
Digital/Cloud Computing	Reasonable
Right to Buy	Reasonable
Phones, Mobiles and Utilities	Reasonable/ Limited
Grounds Maintenance	Limited/Reasonable
Garden Waste and Recycling	Limited

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

Audit Area	Original Assurance level	Revised Assurance level
DBS Checks	Limited	Reasonable/Limited
GDPR	Not Applicable	Not Applicable
Licensing	Reasonable	Substantial
Playgrounds	Reasonable	Reasonable
EKS Payroll	Substantial	Substantial
EKS ICT Disaster Recovery	Reasonable	Reasonable
EKS/Civica – Housing Benefit Payments	Substantial	Substantial

Environmental Protection	Reasonable	Substantial
CSO Compliance	Reasonable	Reasonable
Civica – Housing Benefit Payment	Substantial	Substantial

13. In July 2021 the Committee reviewed the draft financial statements for 2019/20 and resolved that upon completion of the audit the Statement of Accounts for 2019/20 be approved and signed by the Chairman of the committee. The audit process undertaken by Grant Thornton (the external audit provider) was fully completed in November 2022 and the accounts were approved by the Governance Committee and signed on 1 December 2022. The audit of the 2020/21 accounts started in January 2023 and is anticipated to be completed in July 2023, with consideration by Governance Committee in September 2023. As the closing figures for 2020/21 are the opening figures for 2021/22 financial statements the 2021/22 financial statements are awaiting the completion of the 2020/21 audit before they can be completed and published.

Work Programme for 2023/24

2023/24 Governance Committee	
Date *	Main Agenda Items
June 2023	Internal Audit Annual Report Internal Audit Quarterly Progress Report Quarterly Treasury Management Report Grant Thornton's Quarterly update
September 2023	Internal Audit Quarterly Progress Report Grant Thornton's Quarterly update Review of the Constitution Review of Member Code of Conduct Annual Debt Collection Reports Quarterly Treasury Management Report Annual Governance Assurance Statement Statement of Accounts 2020/21
December 2023	Internal Audit Quarterly Progress Report Grant Thornton's Quarterly update Quarterly Treasury Management Report Corporate Complaints update
March 2024	Internal Audit Annual Plan 2022/23 Internal Audit Quarterly Progress Report Grant Thornton's Quarterly update Statement of Accounts 2021/22 Quarterly Treasury Management Report Risk Management and Value for Money Update Annual Governance Assurance Statement Action Plan – progress report

* Meeting dates to be confirmed at Annual Council on 17 May 2023.

As a result of the continuing effects of the Covid-19 pandemic, some items within the Work Programme for 2022/23 have been moved to later in the year. In accordance with further amendments to The Accounts and Audit (England) Regulations 2015, the Annual Governance Assurance Statement and the Statement of Accounts (in respect of financial year 2022/2023) must be published by 30 September 2023. However, the current timetable from Grant Thornton for 2020/21 indicates a late audit process for the Statement of Accounts and therefore the approval of the 2020/21 Accounts is planned for September 2023 and dates for the audit of the 2021/22 and 2022/23 audit processes have not yet been confirmed by Grant Thornton. It is anticipated that Grant Thornton will provide an update on this matter to the June committee meeting.