

Public Document Pack

Minutes of the meeting of the **GOVERNANCE COMMITTEE** held at the Council Offices, Whitfield on Thursday, 29 June 2023 at 6.00 pm.

Present:

Chairman: Councillor H M Williams

Councillors: T J Bartlett (as substitute for Councillor R M Knight)
S H Beer
P M Brivio (as substitute for Councillor L M Wright)
J P Loffman
C A Vinson (as substitute for Councillor M Bates)

Officers: Strategic Director (Corporate and Regulatory)
Strategic Director (Finance and Housing)
Head of Audit Partnership (East Kent Audit Partnership)
Head of Finance and Investment
Deputy Head of Audit Partnership (East Kent Audit Partnership)
Community Services Manager
Transport and Parking Services Manager
Democratic and Corporate Services Manager
Democratic Services Officer

1 APOLOGIES

Apologies for absence were received from Councillors M Bates, R M Knight, S C Manion and L M Wright.

2 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that, in accordance with Council Procedure Rule 4, Councillors C A Vinson, T J Bartlett and P M Brivio had been appointed as substitute members for Councillors M Bates, R M Knight and L M Wright respectively.

3 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

4 MINUTES

The Minutes of the meetings held on 27 February 2023 and 16 March 2023 were approved as a correct record for signing by the Chairman.

5 QUARTERLY INTERNAL AUDIT UPDATE REPORT

The Deputy Head of Audit Partnership presented the Quarterly Internal Audit Update report. The report included a summary of the work completed by the East Kent Audit Partnership since the last meeting of the Governance Committee.

The Deputy Head of Audit Partnership drew Members' attention to the following:

- The audits completed and concluded, which were: Substantial Assurance (EKS – Debtors); Reasonable Assurance (Homelessness, Housing Repairs)

& Maintenance & Void Property and Employee Health & Safety); Reasonable/Limited Assurance (Commercial Let Properties & Concessions); Limited Assurance (GDPR Compliance with Housing); No Assurance (Car Parking & Enforcement) and an audit of Climate Change where an assurance opinion was not applicable.

- The five follow-up reviews completed and that after follow-up, Garden Waste & Recycling Income's revised assurance level remained Limited and Phones, Mobiles and Utilities remained Reasonable/Limited. Management had provided a response within the report and at the time of follow-up, the recommendations remained outstanding.
- The number of audit days completed and that as of 31 May 2023, 20% of the audit plan was completed and they were ahead of schedule.

The Community Services Manager was present to provide an update on the actions already undertaken to address the primary findings that gave rise to the No Assurance opinion for Car Parking & Enforcement which included:

- Purchase of new mobile phones for Civil Enforcement Officers (CEOs) for use issuing Penalty Charge Notices - these were more robust being weather-proof and having longer life, replaceable batteries.
- New rest centres for staff, utilising DDC assets.
- New electric vehicles due for delivery in September for CEOs use around the district.
- New uniforms and design following consultation with staff.
- Ongoing car park audits. Regular monitoring of car parks to ensure maintenance issues were dealt with at the earliest opportunity.
- Removal of pay and display machines from car parks that had more than one machine where the machines were not taking the cash to cover the maintenance fees. Eight had been removed.
- As per the contract with Flowbird (contractor), there would be replacements of faulty, damaged, or obsolete parts of pay and display machines.
- The introduction of regular staff meetings, including welfare checks.
- The Annual Parking Report for 2021/22 had been published with the 2022/23 report due to be published imminently.
- More detailed data was being captured and analysed and included:
 - the daily performance management of CEOs – reports being emailed directly to management showing number of PCNs issued allowing performance issues to be dealt with at the earliest opportunity.
 - Monthly performance statistics reported to management and the portfolio holder.
 - Detailed PCN data – whether paid, appealed or cancelled after appeal.

Future actions included:

- Bi-weekly budget monitoring
- A review of cash collection delivery and processing
- An increase in performance management
- A review of staff shift patterns driven by data
- Future service capacity review
- The implementation of digital visitor permits
- To explore the possibilities for digital applications

- Consistent sickness monitoring.

Members spoke to the range of issues highlighted by the parking audit and the implications of these. They were concerned that processes had not been in place to comply with GDPR requirements in respect of the retention of data. The Strategic Director (Corporate and Regulatory) explained that retention schedules were drawn up within individual teams and in conjunction with the Data Protection Officer. It was the responsibility of the management and Heads of Service to ensure these were complied with and not the Data Protection Officer. In addition, recognising failings with non-compliance, staff would be advised of their responsibilities to ensure compliance with legislation was adhered to.

The Head of Finance and Investment provided an update on the identified failings to reconcile income from car parking machines. Staff pressures within the finance team resulted in the cash flow reconciliation being missed in the monthly workload. This issue was now resolved and an annual write-off report would be provided in future to bring the service in line with the constitution.

Members credited the new leadership of parking services for bringing the audit of the service earlier in process and the work carried out to date to address the issues.

The Committee discussed the process by which audit actions were publicised and to who, and received assurances from the Head of East Kent Audit Partnership that management and Members were provided with the appropriate level of information. The individual action plans were not in the public domain at this point in the process. However, Members were able to speak to officers if they required more detailed information about an audit and it was expected that these matters would be discussed at Portfolio and Shadow Portfolio briefings.

In respect of the Employee Health and Safety Audit it was noted that the asbestos register needed updating with recent survey information. Members were advised this would be done.

RESOLVED: That the report be noted.

6 ANNUAL INTERNAL AUDIT REPORT

The Head of Audit Partnership introduced the Annual Internal Audit report to the Committee which provided a summary of the work undertaken by the East Kent Audit Partnership during 2022/23 to support the annual opinion.

Members' attention was drawn to the Overall Opinion within the report. The majority of reviews had received a substantial or reasonable assurance and there were no major areas of concern that gave rise to a qualified opinion. Having delivered 99.61% of the agreed audit plan days, sufficient work had been undertaken to support the opinion.

The Head of Audit Partnership was satisfied the Council had complied with Corporate Governance guidance throughout the year. An assurance was placed on the aspects of the systems of control tested and in operation during 2022/23. Having a duty to make Members aware where good practice was not complied with, it was noted that a review of the Council's Risk Management arrangements, having previously been reviewed in March 2020 and resulted with a Reasonable Assurance, was due for review as part of the 2023/24 audit plan.

Assurances were provided by the Head of Finance and Investment that work was being carried out to bring VAT claims up to date. External staff had been employed and the £3m repayment due to the Council did not affect the financial position of the Council due to this being a debtor on the accounts – a payment owed to the Council.

Members thanked East Kent Audit Partnership for their consistent high-quality work.

RESOLVED: (a) That Members noted the Opinion of the Head of Audit Partnership.

(b) That Members noted the Annual Report detailing the work of the East Kent Audit Partnership and its performance to underpin the 2022/23 opinion.

The meeting ended at 7.33 pm.