

## WEST LINDSEY DISTRICT COUNCIL

MINUTES of a Meeting of the Governance and Audit Committee held in the Council Chamber at the Guildhall, Gainsborough on Thursday 31 July 2014, commencing at 6.30 pm.

**Present:**

Councillor Giles McNeill (Chairman)
Councillor Sue Rawlins (Vice-Chairman)
Councillor Ken Bridger
Councillor Chris Day
Councillor Ian Fleetwood
Councillor Malcolm Leaning
Councillor Anne Welburn
Alison Adams (Independent Co-opted Member)
Peter Walton (Independent Member)

**In Attendance:**

Ian Knowles	Director of Resources and S151 Officer
Alan Robinson	Head of Central Services and Monitoring Officer
Tracey Bircumshaw	Group Accountant
Katie Coughlan	Governance and Civic Officer

**Also in attendance :**

Adrian Benselin	External Auditor - KPMG
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**Apologies:** Councillor Gillian Bardsley

### 18 PUBLIC PARTICIPATION

There was no public participation.

### 19 MINUTES

Meeting of the Governance and Audit Committee held on 26 June 2014

**RESOLVED** that the Minutes of the meeting of the Governance and Audit Committee held on 26 June 2014 be approved and signed as a correct record.

## **20 MEMBERS' DECLARATIONS OF INTEREST**

There were no declarations of interest made.

## **21 MATTERS ARISING SCHEDULE SETTING OUT CURRENT POSITION OF PREVIOUSLY AGREED ACTIONS AS AT 23 JULY 2014 (GA.10 14/15)**

Members gave consideration to the Matters Arising Schedule which set out the current position of all previously agreed actions as at 23 July 2014.

With regard to the amber item, whilst Members noted and welcomed the commentary contained within the action, Members still cited continuing problems with accessing Minerva. The Director of Resources undertook to try and resolve these over the coming month.

**RESOLVED** that progress on the Matters Arising Schedule as set out in report GA.10 14/15, be received and noted.

## **22 ANNUAL FEEDBACK REPORT (GA.11 14/15)**

Members gave consideration to a report which reviewed the number, type and results of complaints, comments and compliments made to the Council during 2013/14. The report further advised on any trends, areas for learning and future management of feedback.

In the ensuing debate Members indicated that it would have been useful to have a breakdown of the nature of those complaints referred to the Local Government Ombudsman, accepting that it would be inappropriate to share the specifics of each case.

Officers undertook to share this information with Members and build such information into future reports.

**RESOLVED** that the 2013/2014 results be noted and Members comments be borne in mind when producing the next annual report.

## **23 WEST LINDSEY DISTRICT COUNCIL – FRAUD BRIEFING 2012/13 (GA.12 14 /15)**

The External Auditor made a presentation to the Committee on Fraud. The purpose of the Fraud Briefing was to: -

provide an information source to support Councillors' consideration of fraud detection performance at their Council, compared to similar local authorities;

give an opportunity to review the counter fraud approach and priorities at the Council;

provide support for fraud risk management, to ensure local priorities are reflected as part of a proportionate response to fraud; and

enable discussion of national and local fraud risks.

Arising from the information within the presentation, the external Auditor recommended that there would be value in working with the County Council around “blue badge” fraud, along with working with Social Housing providers to combat tenancy fraud which was also on the increase.

In responding to Members’ questions, Officers outlined the nature of the relationship with Acis and the ways in which the two organisations shared data to address such matters. Caution was expressed in ensuring resources were targeted at those areas which were at greatest risk.

Members sought assurance that Corporate Fraud was also looked at. In responding Officers outlined the numerous internal controls which helped prevent Corporate Fraud, including segregation of duties and robust internal procedures and processes.

The Section 151 Officer indicated that he would wish to submit a report to a future meeting of the Committee, demonstrating the internal Governance Structure and all its linkages to aid Members’ understanding. Members welcomed this suggestion.

**RESOLVED** that the briefing be received and noted and the above mentioned report be added to the Committee’s Workplan.

## **24 ANNUAL REPORT ON FRAUD (GA.13 14/15)**

Members gave consideration to a report which reviewed the number, type and results of fraud investigations made to the Council during 2013/2014.

The Committee expressed thanks for the excellent work undertaken by the Fraud Team.

Clarity was requested and given regarding the data contained in table 1.

In the ensuing debate, during which resources were discussed, The Monitoring Officer indicated that the way in which Housing Benefit Fraud investigations were undertaken would be changing; in that a single Fraud Unit was to be established by central government, specifically to undertake this role and thus this would not be an appropriate time to invest in resources.

In responding to questions, Officers indicated of the various partners who the authority worked with closely to detect fraud including the Inland Revenue and the DWP.

**RESOLVED** that that the 2013/2014 results be noted

## **25 EXPENDITURE ON AGENCY STAFF AND CONSULTANTS (GA.14 14/15)**

Consideration was given to a report which presented Members with an annual update on the expenditure incurred during 2013/14 on the engagement of temporary / agency staff and consultants.

**RESOLVED** that the contents of the report be noted.

## **26 MEMBER TRAINING PLAN UPDATE (GA.15 14/15)**

Members gave consideration to a report which provided an update on the Member Training Plan.

Members wholeheartedly supported the intention to have a full induction Plan in advance of May 2015.

The Committee were of the view that “required training” for regulatory committees needed to be better defined.

There was also a call for greater consultation around the dates on which training was held. Whilst acknowledging the Committee’s comments, Officers encouraged Members, if they found they could not attend training events, to approach the relevant Officers to arrange 1-2-1 sessions.

The need for training methods to vary was also raised.

**RESOLVED** that having reviewed the progress to-date, the contents of the report be noted.

## **27 UNAUDITED STATEMENT OF ACCOUNTS (GA.16 14/15)**

Consideration was given to a report which presented the un-audited statement of accounts for information purposes at this stage.

The accounts provided information on how the Council had used the financial resources available to provide services and progress its local priorities.

The financial statements had been prepared in accordance with proper accounting practices and in accordance with International Financial Reporting Standards.

The Accounts demonstrated that, in a period of considerable uncertainty, the Council’s finances were sound and sustainable, with £17.4m held in useable reserves.

There was a surplus for the year of £1.845m, of which the main element £0.741m related to the impact of the new NNDR retention scheme.

Capital Investment for the year totalled £2.3m and was fully financed without the need for borrowing. It was noted that the Council remained debt free and had completed the process of recovering investments in Icelandic Banks with a 95% recovery rate.

Members encouraged a “healthy” bank balance and expressed caution at depleting reserve levels.

Members indicated they would welcome some training on Local Authorities accounts, acknowledging that the way in which they were presented was not like public sector accounts. Officers referred Members to the last agenda item for consideration at the meeting which related to future training.

**RESOLVED** that the Unaudited Statement of Accounts, authorised for issue to the Auditors, KPMG, on 30 June 2014 be noted.

## **28 WHISTLEBLOWING (GA.17 14/15)**

Members gave consideration to a report which set out the annual review of the Whistleblowing Policy.

In responding to Members’ questions, Officers indicated they could give no further details in relation to the three reports received through the Policy as this would be in direct conflict with the purpose of the Policy

**RESOLVED** that the Committee be assured the Whistleblowing Policy is in place and working effectively.

## **29 WORK PLAN (GA.18 14/15)**

Members considered their work plan for meetings during the ensuing year.

**RESOLVED** that the work plan as at 23 July 2014.

## **30 STATEMENT OF ACCOUNTS TRAINING – TO AGREE A PREFERRED DATE / TIME**

Following consultation with the Committee,

**RESOLVED** that Statement of Accounts Training be held on the same evening as the Committee’s next meeting (25 September 2014) commencing at approximately 5.00pm. Linkages to the AGS would be a welcome addition to the training session

The meeting concluded at 8.06 pm.

Chairman