

## WEST LINDSEY DISTRICT COUNCIL

MINUTES of a Meeting of the Governance and Audit Committee held in the Council Chamber at the Guildhall, Gainsborough on Tuesday 19 January 2016, commencing at 7.00 pm.

**Present:** Councillor Giles McNeill (Chairman)  
Councillor Jackie Brockway (Vice Chairman)

Councillor Mrs Sheila Bibb  
Councillor David Bond  
Councillor Angela White

Alison Adams (Independent Co-opted Member)  
Andrew Morriss (Independent Co-opted Member)  
Peter Walton (Independent Co-opted Member)

**In Attendance:**

Ian Knowles	Director of Resources and S151 Officer
Mark Sturgess	Chief Operating Officer
Alan Robinson	Strategic Lead – Democratic and Business Support
James O’Shaughnessy	Interim Strategic Lead - Transformation
Tracey Bircumshaw	Financial Services Manager
Anna Grieve	Business Development Officer – Contracts and Procurement
Katie Coughlan	Governance and Civic Officer

**Also In Attendance :**

Lucy Pledge	Internal Audit, Lincolnshire County Council
Matthew Waller	Internal Audit, Lincolnshire County Council

**Also Present:**

Councillor Reg Shore  
Councillor Steve England  
Councillor Alan Greenway – Welton Parish Council

**Apologies:** Councillor Hugo Marfleet

## 56 CHAIRMAN’S WELCOME AND INTRODUCTIONS

In opening the meeting, the Chairman welcomed all those present, including visiting members and representation from Welton Parish Council. Mr Andrew Morriss, newly appointed Independent Co-opted Member, was formally introduced to the Committee.

## 57 PUBLIC PARTICIPATION

The Chairman advised that Councillor Alan Greenway of Welton Parish Council was in attendance and wished to address the Committee in respect of agenda item 6 (a) – Boundary Commission – Update on Consultation Exercise and the impact the draft proposals would have on the village of Welton if implemented.

In addressing the Committee, Councillor Greenway made the following statement: -

At the Welton Parish Council meeting on Monday 11th January 2016 it became apparent that the Councillors, 12 in number, felt very deeply that the proposed split of their parish to accommodate what is at heart a statistical exercise to reduce the numbers of County Councillors, would have a detrimental effect on the future governance of the village.

Firstly, it is proposed by Lincolnshire County Council, that the village be split in two, part in the Ancholme Cliff division and the remainder in the Nettleham division. For a village the size of Welton, with the further development taking place in the near future – planning permission for 463 properties having already been granted with the potential of another 900+ electors - to have to negotiate through different County Council representatives dependent upon the locality of the issues, is to put it mildly ludicrous. It makes more sense to have one voice speaking to represent the community as a whole.

Secondly, assuming that Welton in its entirety would be included into Ancholme Cliff, then the division should be called Welton Division to reflect its historic position, coupled with it being the largest settlement within the area covered and the only one in West Lindsey included in the consultation.

Thirdly, at present Welton Parish Council have 12 sitting members, with 1 vacancy which could be filled at the February Meeting. The proposal is that this be reduced to 9 members; we would suggest that this is a retrograde step particularly with the amount of work the council undertakes, Welton Parish Council is a very active council, also considering the fact that we are facing a future when Parish Councils such as Welton will be involved in more consultation regarding the expansion of their Parishes, especially with the emergence of the Neighbourhood Plan and services being devolved from Government down to the lowest tier.

There is also the point that the nine Councillors would be allocated from 2 areas. One being “Well” with 4 members and the other “Ryland” with 5, neither of these areas exists today.

The Parish Council does not believe that reducing numbers at this point would be an advantage.

In view of the above comments the following resolution was passed unanimously;

“The Parish of Welton in its entirety should be included into the Ancholme Cliff Division, furthermore in view of the size of the settlement of Welton, it should be re-named Welton Cliff and the number of Parish Councillors should remain at 13 as at present”.

We therefore request your support in our submission to the Boundary Commission on this matter.

The Chairman thanked Councillor Greenway for his comments and invited him to remain present for the pending debate later in the meeting.

The Committee were reminded that it was the Boundary Commission’s proposals as opposed to Lincolnshire County Council’s as implied by the submission.

## **58 MINUTES**

- (a) Meeting of the Governance and Audit Committee held on 12 November 2015 (GA.39 15/16)

**RESOLVED** that the Minutes of the meeting of the Governance and Audit Committee held on 12 November 2015 be approved and signed as a correct record.

## **59 MEMBERS’ DECLARATIONS OF INTEREST**

There were no declarations of interest made at this stage of the meeting.

## **60 MATTERS ARISING SCHEDULE SETTING OUT CURRENT POSITION OF PREVIOUSLY AGREED ACTIONS AS AT 11 JANUARY 2016 (GA.40 15/16)**

Members gave consideration to the Matters Arising Schedule which set out the current position of all previously agreed actions as at 11 January 2016.

**RESOLVED** that progress on the Matters Arising Schedule as set out in report GA.40 15/16, be received and noted.

## **61 DISCUSSION ITEM – BOUNDARY COMMISSION – UPDATE ON CONSULTATION EXERCISE (GA.41 15/16)**

Consideration was given to a report which facilitated the Governance and Audit in discussions regarding the Boundary Commission’s draft recommendations relating to the ongoing County Council Boundary review, with a view to the Committee making recommendations by way of a draft formal consultation response to Full Council.

Prior to opening the debate the Chairman advised that a representation, by way of e-mail, had been received from Councillor Mrs Diana Rodgers, District Councillor for the Welton Ward. This was shared with the Committee as follows: -

“Whilst the electoral arrangements are, of course, to do with County Council, the proposals will undoubtedly impact on the first and second tiers of local government, as witness the potential impact on the village of Welton; which faces a north/south divide at county level, and an east/west divide at parish level.

The electoral review sets out to equalise the number of electors that each councillor represents; but it also seeks to reflect community identity, and provide effective and convenient local government.

On a day to day basis I would suggest that 'community identity' and 'effective local government' are far more important than the equalisation of electors between divisions. The District Council should have a direct concern for the proposal to share Dunholme and Welton Ward between two divisions, and with its oversight of Parish Councils it needs to be concerned about the further proposals for Welton village.

The Commission seems to think that Welton Parish Council has only nine councillors, when there are thirteen, and for some inexplicable reason it seeks to divide representation between Welton and Ryland. I live in the former hamlet of Ryland; but I do not know where its boundaries begin or end, and I see no point in trying to define them, because the Boundary Commission recommendations are unenforceable. Under the current rules Welton Parish Council can be made up of thirteen residents or business people from Welton, Ryland, or the adjoining Parish of Dunholme.

I can understand the desire to give Nettleham and Saxilby separate representation on the County Council; but not at the expense of Welton which is the largest of the three settlements. Under the proposals, the names of Bardney, Cherry Willingham, Market Rasen, Nettleham, Saxilby and Scotter have their names attached to a division; but the larger settlement of Welton is to lose its division and its identity in the County Council proposals.

I note that the village of Welton is to be divided between Nettleham Division and Ancholme Cliff Division. I also note that the 2021 variance for Ancholme Cliff will be minus 7% and that the 2021 variance for Nettleham will be plus 8%. So would it be beyond the wit of man to balance the variance by moving the whole of Welton into Ancholme Cliff, and wouldn't be equally valid to use the term of Welton Cliff?

Lengthy and detailed debate ensued regarding the recommendations. Visiting Members, Councillor Shore and Councillor England addressed the Committee, raising similar concerns to those of Welton Parish Council and also identifying a number of similar anomalies across the Whole District, including the area of Stow / Sturton.

Committee commented on the purpose of governance reviews and what a good pattern of divisions should achieve. All were in agreement that these proposals did not meet the principles and in effect were destroying community identities and creating unidentifiable boundaries, the exact opposite of what was trying to be achieved. Nor did the proposal engender effective and convenient local government

It was also noted that only one of the points raised in the Council's previous Consultation response appeared to have been taken into consideration, this being the rural and urban split and Members expressed their disappointment at this fact.

In response to Members questions the timetable for implementation was shared with the Committee. Members also enquired as to whether future population growth (for example the agreed neighbourhood extensions in Gainsborough) had been taken into account. It was thought that only planning applications with outline planning permission had been factored in.

The Chairman outlined a length his revised suggestions and warding pattern which Committee considered better met the principles.

It was noted that the County Council had software to assist in warding patters and was suggested that Officers should make use of this if feasible.

On that basis it was: -

**RESOLVED** that:

- (a) delegated authority be granted to the Director of Resources, following consultation with Group Leaders, Councillor Reg Shore and the Chairman of the Governance and Audit Committee, to draft a formal consultation response to the Commission, based on the points raised throughout the discussion and providing detailed feedback and specific suggestions regarding changes to the boundaries that are proposed, for submission and consideration by Full Council at its meeting 25 January 2016; and
- (b) the views expressed by Welton Parish Council be supported.

## **62 INTERNAL AUDIT PLAN – MONITORING REPORT PERIOD 3 (GA.42 15/16)**

The Committee gave consideration to a report which sought to update Members of the progress by the Audit Partner, against the 15/16 annual programmes agreed by the Audit Committee in March 2015. The report further provided details of the audit work undertaken during the period; the current position with agreed management actions in respect of previously issued reports; and details of other audit activity relevant to the Committee.

The report advised on two audits having been completed during the period; one having received a substantial assurance rating, namely, Enforcement and one

having received low assurance rating, namely, Local Land Charges. The outcomes of each audit were outlined to Members in detail and it was noted that the Chief Operating Officer was in attendance to answer any specific questions Members had on the outcome of the Land Charges Audit.

The report further advised of proposed changes to the 2015/16 audit plan, detailed in Section 4 of the report, the audits in progress, Section 7 of the report, and other significant work audit work undertaken during the period and going forward.

The report concluded with indicative information regarding the next planned Lincolnshire Audit Committee Forum and names of attendees were sought.

Debate ensued and Members asked a number of questions of the Chief Operating Officer in respect of the Land Charges Audit.

Officers confirmed that the service held information which local residents and businesses relied upon but which could not be obtained from elsewhere. Whilst people could use private agents to undertake their searches, this still required such agents to make use of the information held by the Council. Facilities were available on site for this to happen.

Confirmation was sought and received that the Authority could be losing money as a result, however, Members were asked to note that having reviewed income levels this had remained fairly steady along with satisfaction levels regarding the outcome of searches. The main area of concern had been the time in which it had taken to undertake searches.

Officers confirmed that this area of work was likely to see considerable change in future years, with the service being taken over by Land Registry. However the Council would still have a duty to maintain the records and make this available to the Land Registry on request. The Council would however lose its fee setting ability but this was still work in progress as no formal timetable for takeover had been issued, although it was likely to be towards the end of the decade.

In responding to Members' questions, Officers confirmed that there was a project plan and this related to the introduction of an automated IT system. Details of the associated timeline were sought when it was noted that a procurement exercise was underway and was currently at evaluation stage. Based on the information received, initial concern was expressed that the 45 day turnaround time would still remain pending the introduction of a system. However Officers confirmed this not to be the case, advising that as a result of the Audit, considerable additional manual resource had been invested into the Service. Turnaround times were being closely monitored and were currently running at between 4 and 8 days, within target.

Clarification was sought as to why the audit into Community Safety had been postponed. In response it was noted that the authority was currently undertaking a Peer Review in this area which would result in an improvement plan, following which internal audit would be asked to review the outcome.

**RESOLVED** that:

- (a) having considered the report its contents be noted;
- (b) the Chairman, Vice-Chairman and Mr Andrew Morriss attend at the Lincolnshire Audit Forum on 17 March 2016 (other members wishing to attend should contact the Governance and Civic Officer); and
- (c) at the conclusion of the Committee's Meeting on 17 March 2016, a private meeting between Committee Members and the Internal Auditor be held.

### **63 AMENDMENTS TO CONTRACT PROCEDURE RULES AND FINANCIAL THRESHOLDS (GA.43 15/16)**

Members gave consideration to a report which advised of amendments to the Contract Procedure Rules and financial thresholds.

The main changes were summarised to the Committee and detailed at Section 2.1 of the report. The revised financial thresholds were set out at Section 3.1 of the report.

It was hoped that approval of the changes would enable growth in the local economy by allowing more local suppliers to quote for works, the potential pressure on staff resources would be removed and West Lindsey would still be able to evidence best value and quality.

Members sought indication as to how the procedure would be affected in the event that there was no local supplier. Officers confirmed that local within this context meant Lincolnshire, so there would only be a few instances where this could not be achieved in which case the work would go to the open market. It was also confirmed that "local" suppliers did not receive preferential treatment.

Referring to paragraph 2.1 relating to exemptions, it was noted that all exemptions would be signed off by the Director of Resources and a record of such decisions kept.

**RESOLVED** that the amendments to the Contract Procedure Rules and financial thresholds be approved.

### **64 DRAFT TREASURY MANAGEMENT STRATEGY (GA.44 15/16)**

The Committee were asked to scrutinise the Draft Treasury Management Strategy with a view to recommending its inclusion within the Medium Term Financial Plan.

Two key changes were presented for Members' consideration these being, the MRP Policy Statement, which outlined how the Authority would set aside money "for proxy in depreciation" or rather, how funding would be set aside to repay any debt accrued

and secondly the Borrowing Strategy which set out how and in what circumstances the Authority may choose to undertake borrowing.

**RESOLVED** that

- (a) having scrutinised the draft Treasury Management Strategy it be **RECOMMENDED** to Full Council for inclusion within the Medium Term Financial Plan; and
- (b) the Treasury Management practises be acknowledged.

## **65 ANNUAL GOVERNANCE STATEMENT 14/15 – MONITORING REPORT PERIOD 1 (GA.45 15/16)**

Members gave consideration to a report which reviewed progress achieved against the Annual Governance Statement 2014/15 Action Plan.

It was noted that good progress had been made with two of the nine actions now completed; these being Asset Management and the Review of the Constitution and Decision Making. The current position of the remaining seven actions detailed in Appendix 1 of the report were outlined to the Committee.

Work was ongoing to ensure the remaining issues were addressed, and therefore not identified as significant governance issues in the Annual Governance Statement for 2015/16. Officers were confident this would be achieved, with the exception of the Central Lincolnshire Local Plan Action, and shared with Members recent activity undertaken which would see a number of the other actions near completion.

Praise was offered to the Chief Operating Officer and the Planning Services Team for the major improvements that were being seen.

**RESOLVED** that having considered the content of the report the Committee be assured that the current position of the Annual Governance Statement Action Plan for 2014/15 would result in the completion of all relevant actions by July 2016.

## **66 STRATEGIC RISKS – 6 MONTH UPDATE (GA.46 15/16)**

Consideration was given to a report which presented Members with details of the Strategic Risks facing the Council as at January 2016.

The monitoring arrangements detailed in Section 2 of the report were brought to the attention of the Committee, as were the next planned steps. It was further noted that if the Revised Risk Management Strategy was approved the entire Strategic Risk register would be reviewed in accordance with it and be re-presented to Members at their April meeting.



The Member Champion for Risk commented on the much improved position and revised approach given to Risk Management, and congratulated Officers on their achievements.

With regard to the risk entitled Effective Workforce and Political Skills a member expressed concern that her experience of agile working had been that it did not always consolidate skills and teams. Reassurance was sought that Officers were comfortable with the agile of style of working and that it was allowing for consolidation, team building and embedding.

Reassurance was offered that agile working was offering the workforce the flexibility it had intended whilst still allowing the embedding of skills. All employees had an individual personal development plan aligned to their work objectives and there was also an organisational development plan. A People Strategy was also being developed, this aimed to ensure the Council had the right people doing the right jobs with right skills both now and going forward. Senior Managers also undertook a coaching, mentoring and developing role.

With regard to the risk entitled Political Governance, the Chairman advised that he was aware of work ongoing, and planned Member Workshops. Officers indicated that proposals would be discussed with Group Leaders in the first instance and it was also noted that this risk was not associated with the Council's governance structure rather than that of the Greater Lincolnshire Partnership.

**RESOLVED** that having reviewed the Strategic Risks, as presented, they be noted.

#### **67 REVISED RISK MANAGEMENT STRATEGY (GA.47 15/16)**

Members gave consideration to a report which sought approval of the Council's revised Risk Management Strategy for 2016 – 2018. The Strategy aimed to streamline processes, ensure they were manageable and understood by all. To this end, it was noted that externally facilitated Risk Management Training had taken place with appropriate staff.

**RESOLVED** that the Council's Risk Management Strategy be approved.

#### **68 WORKPLAN (GA.48 15/16)**

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

**RESOLVED** that the work plan as at 11 January 2016 be noted.

#### **69 EXCLUSION OF PUBLIC AND PRESS**

**RESOLVED** that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

**70 QUICKLINE BUSINESS PLAN / PAYMENTS – MONITORING REPORT  
(GA.49 15/16)**

Members received a report for assurance purposes and to give the Committee confidence that Quickline were able to meet the conditions of the loan.

In presenting the report Officers indicated at present the arrangement was in line with expectations and capital repayments had also now commenced.

Members also received information on the relationship between BDUK and Quickline, and how this was affecting sales and cashflow performance.

Officers again re-iterated that whilst there were a few areas of minor concern, no action was considered necessary, as all payments to date had been met.

**RESOLVED** that having received the monitoring information, Members be assured that the conditions of the loan are being met / can be met.

The meeting concluded at 8.30 pm.

Chairman