

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 7 November 2017 commencing at 2.00 pm.

Present: Councillor Giles McNeill (Chairman)
Councillor Mrs Jackie Brockway (Vice-Chairman)

Councillor Mrs Sheila Bibb
Councillor John McNeill
Councillor Mrs Angela White
Alison Adams
Andrew Morriss

Councillor Thomas Smith was also in attendance.

In Attendance:

Mark Sturgess	Chief Operating Officer and Head of Paid Service
Ian Knowles	Director of Resources and S151 Officer
Alan Robinson	Monitoring Officer
James O'Shaughnessy	Team Manager – Corporate Policy and Governance
Andy Gray	Housing and Enforcement Manager
Matt Waller	Principal Auditor, Lincolnshire County Council
John Cornett	KPMG
John Sketchley	Internal Audit Team Leader, Lincolnshire County Council
David Lomas	Chairman, Independent Remuneration Panel
James Welbourn	Democratic and Civic Officer
Mark Sturgess	Chief Operating Officer and Head of Paid Service

Apologies: Councillor David Bond
Peter Walton

36 PUBLIC PARTICIPATION PERIOD

There was no public participation.

37 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 14 September were approved as a correct record and signed by the Chairman.

38 MEMBERS DECLARATIONS OF INTEREST

None.

39 MATTERS ARISING SCHEDULE

Members gave consideration to the Matters Arising Schedule which set out the current position of all previously agreed actions as at 30 October 2017.

The Head of Paid Service answered a question on stress from Councillor Mrs Brockway. The following points were highlighted:

- Annual Staff Surveys are run. The results of the most recent survey had been through the Joint Staff Consultative Committee. This showed that staff satisfaction rates are improving;
- There was an Employee Assistance Programme (EAP);
- A lack of control over people's work and a lack of clarity on that work can cause stress to staff members. In place was a new management structure that gives clarity to these roles and responsibilities;
- Staff development continues to be monitored through the appraisal system, and the ongoing provision of training.

RESOLVED that progress on the Matters Arising Schedule as set out in the report be received and noted.

40 MEMBERS' ALLOWANCES

Consideration was given to a report on Members' Allowances, and the discussion fed into the work being carried out by the Independent Remuneration Panel.

Both the Chairman, and the Vice-Chairman thanked the Chair of the Independent Remuneration Panel (IRP) for the work that he and his Panel were undertaking.

Members of the Committee made highlighted further points:

- It was not always easy to recruit people of working age to be a Councillor;
- The value of the remuneration was there also in part to compensate for any loss of earnings incurred;
- Eye tests for Councillors of working age could be introduced to mirror the benefit that staff members get;
- The hourly rate of £6.50 for the carer's allowance was for the year 16/17 – a higher rate in line with the minimum wage could be considered;
- If there were a scenario whereby there were two separate Chairs of the Licensing and Regulatory Committees, it could be an option to split the Special Responsibility Allowance (SRA) for this post, currently occupied by one Chair;

The Chairman of the Independent Remuneration Panel thanked Members for their comments and submissions.

RESOLVED to feed the discussions held on the Members' Allowances Scheme into the Remuneration Panel's deliberations.

41 ATTENDANCE OF THE HEAD OF PAID SERVICE

The Head of Paid Service, having previously dealt with the Combined Assurance Report under 'Matters Arising', updated the Committee on the Progress and Delivery Audit Review, and the Development Management Audit.

The following points were discussed:

- There were one-to-one's with all Managers on Progress and Delivery to ensure that the measures being used were effective. As part of that, the measures being used were reduced in number from 150 to 130;
- The two criteria being used for the effectiveness of Progress and Delivery are:
 1. Is it useful to Members when they are judging performance of a service?
 2. Is it useful for Managers in driving continuing performance in their service?
- A commitment was made to completely review how performance management was reported to the Council. This was done by closely monitoring delivery of the Corporate Plan, as well as building on the gains of the previous year by driving continuous improvement;
- Scrutiny has proved difficult for West Lindsey District Council (WLDC) as it has been set up for Councils that have a Cabinet system;

Following questions and comments from Members, further points were raised:

- The Association for Public Service Excellence (APSE) research into Scrutiny report was available for all Challenge and Improvement Members;
- It was incumbent on the Policy committees to properly scrutinise audit reports, in addition to the work that Challenge and Improvement does;
- The intention with Scrutiny training would be for it to be open to all Members of the Council, not just Challenge and Improvement Members;
- Progress and Delivery has been audited three times, with the second audit stating that metrics were being changed too often. The approach being taken is an annual review, with a change control process in place should it be necessary to make a change to metrics in year.

42 OUTCOME OF DEVELOPMENT MANAGEMENT AUDIT

Consideration was given to a report that provided Members with the findings of the Development Management Audit requested by Governance and Audit Committee in January 2017.

The Head of Paid Service provided the following information:

- The Audit was an independent assessment of how the Planning department was operating. The report stated that there was a well-run and effective service in place;
- Clear communication and transparency were of paramount importance;
- The demand for enforcement was increasing, and the times for resolutions was longer. Temporary staff were making a difference; the demand was not decreasing. Recruitment was underway;
- Enforcement was demand led, so a risk based policy had been proposed. This has meant that sometimes, only the highest risk cases will be dealt with. The proposed risk based policy was subject to pre-scrutiny by Challenge and Improvement Committee, before going to Prosperous Communities Committee;

Following questions and comments from Members, further information was provided:

- An 'inadequate' or 'ineffective' rating does not apply to the capabilities of Planning and Enforcement officers at WLDC – officers at WLDC put in a lot of time and effort;
- 4 Members were spoken to during the Development Management Audit. 10 Members were asked to take part, but only 4 responded;
- The majority of Section 106 agreements signed for now are related to affordable housing, delivered onsite. As a fall back, section 106 contributions will be accepted towards affordable housing elsewhere in the district.

Other areas where section 106 monies are collected are schools, doctor's surgeries, and highways. WLDC act as bankers, as those schemes are delivered by WLDC directly;

- WLDC do run a developer and agent's forum seeking the views of these groups. Parish Council members are invited to certain elements of training afforded to West Lindsey Members;
- There was a move towards a system to record customer service standards. Users will be involved in the setting of standards;
- This Development Management Audit took an overview of the Planning service. Planning Members, and individuals involved in Planning bring forward individual cases. There were two issues with individual cases – the process could have been wrong, and there was an internal process to deal with these issues. There were also appeals to the Secretary of State where a refusal was generated;
- The Audit had shown that the processes within the Planning Services were appropriate and fit for purpose;

- Team Managers receive a monthly update from a Corporate Team Member on the subject of audit actions;
- The Section 106 Monitor would like for Section 106 monies to be more transparent, by making the route of the monies available online.

RESOLVED to note the paper and the comments provided above.

43 INTERNAL AUDIT PLAN - PERIOD 2 MONITORING REPORT

Consideration was given to a report giving Members an update of progress, by the Audit partner, against the 2017/18 annual programmes agreed by the Governance and Audit Committee in March 2017.

The report ran up to the end of September 2017 (the end of Quarter 2).

Following questions and comments from Members, further information was provided:

- There was a regular review of the Flare application, and it would not need an audit. There are limited other systems within WLDC that have customer access. All other systems are accessed through portals, rather than having direct access into back office IT systems;
- The target of May 2017 for the Progress and Delivery Audit was the original target agreed. This date for completion should have been replaced with a more realistic date as the Head of Paid Service did not fully feel that performance management was embedded in the organisation. This was why the date had slipped;
- The 'Closer to the Customer' approach was about asking each service at WLDC what their digital aspirations were;
- There was a majority of people that want to use technology to access their services, however, there are some individuals that don't;
- The shared ICT infrastructure with North Kesteven District Council has given WLDC added resilience.

RESOLVED to note the content of the report.

44 ANNUAL AUDIT LETTER

Consideration was given to the Annual Audit Letter presented to the Governance and Audit Committee.

John Cornett from KPMG introduced the report, and highlighted the following points:

- The letter represented the completion of the 2016/17 audit;
- An unqualified opinion on the accounts and an unqualified value for money

conclusion was given;

- The audit letter reiterated the view of KPMG that WLDC can meet the financial challenges going forward through the arrangements and approaches in place;
- There was not a small additional fee resulting from the extra work KPMG undertook around the restatement of the comprehensive income and the expenditure statement;
- KPMG provided some non-audit work in providing tax advice on group structure considerations to the value of £5200 shown under appendix 2 of the audit letter and this was charged separately from the audit work;

The Chairman thanked Mr Cornett and KPMG for their work on this report.

RESOLVED to accept the information contained within the report.

45 PERIODIC REVIEW OF THE ANNUAL GOVERNANCE STATEMENT ACTION PLAN 2016/17

Members considered a review on the progress of the Annual Governance Statement Action Plan for 2016/17.

The Team Manager – Corporate Policy and Governance introduced the report, and highlighted the following:

- The selective licensing scheme is deemed to be working well. This action is deemed to be closed for the purposes of this action plan;
- It was recommended that the Development Management was kept on the action plan;
- Progress was underway on the other 6 actions in the plan.

RESOLVED:

- (1) That Members were assured that the current position of the Annual Governance Statement Action Plan for 2016/17 will result in the completion of all relevant actions by July 2018;
- (2) To approve the closure of the action relating to Selective Licensing;
- (3) To retain inclusion of Development Management on the action plan at this stage.

46 REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

Members considered a report on the effectiveness of the internal audit service provided by Assurance Lincolnshire.

The Director of Resources informed the Committee that WLDC receive a value for money service from the Internal Auditors. Auditors present received his thanks.

Team Manager – Corporate Policy and Governance highlighted to members paragraph 7.9 of the report that reiterated that it was imperative for the Committee to hold these reports to account.

RESOLVED to agree with the conclusion that the Council has effective internal audit arrangements in place.

47 REVIEW OF STRATEGIC RISKS (NOV 2017)

Members considered a report on the strategic risks facing the Council as at November 2017.

The Team Manager – Corporate Policy and Governance introduced the report and highlighted the following points:

- The approach in the report was adopted and approved by the Association of Local Authority Risk Managers;
- There was a risk matrix based on the impact and likelihood of a risk occurring;
- Since the risks were last shared with the Committee earlier in the year, there have been a number of changes. The delivery of the Central Lincolnshire Local Plan (CLLP) has occurred and has been removed from the risk register. Devolution conversations have ceased so this has also been removed from the register. Finally, the Chief Executive has left, and so the risks for that post have been redistributed between other senior managers;

Following questions and comments from Members and officers, further information was provided:

- The risk strategy will be reviewed later in the year, and this may include looking at issues such as having a target risk level;

Note: The Chairman informed the Committee that the Electoral Commission are not going to be investigating a boundary review in West Lindsey any further.

RESOLVED to note the strategic risks as presented.

48 WORKPLAN

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

RESOLVED that the work plan as at 7 November 2017 be noted.

The meeting concluded at 3.51 pm.

Chairman