

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall on 15 June 2021 commencing at 2.00 pm.

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

Councillor Stephen Bunney
Councillor Mrs Tracey Coulson
Councillor David Dobbie
Councillor Mrs Caralyne Grimble
Councillor Mrs Angela White
Alison Adams
Andrew Morriss

In Attendance:

James O'Shaughnessy	Head of Policy Strategy and Sustainable Environment / Deputy Monitoring Officer
Tracey Bircumshaw	Assistant Director of Finance and Property Services and Section 151 Officer
Nova Roberts	Assistant Director of Change Management & Regulatory Services
Emma Redwood	Assistant Director People and Democratic Services
Katie Storr	Democratic Services & Elections Team Manager (Interim)

Apologies: Peter Walton

1 PUBLIC PARTICIPATION PERIOD

There was no public participation.

2 MINUTES OF PREVIOUS MEETING

RESOLVED that the Minutes of the previous Meeting of the Governance and Audit Committee held on 13 April 2021 be approved and signed as a correct record.

3 MEMBERS DECLARATIONS OF INTEREST

There were no declarations of interests made at this point in the meeting.

4 MATTERS ARISING SCHEDULE

All matters listed on the Matters Arising Schedule were marked as complete and as such, the schedule was duly **NOTED**.

5 CERTIFICATION OF GRANTS & RETURNS 2019/20 - HOUSING BENEFIT SUBSIDY

The Section 151 Officer presented the report which detailed the outcome of the Housing Benefit Subsidy Audit 2019/20.

Members were advised the audit had been carried out in accordance with the Department of Works and Pensions reporting requirements.

The audit identified two errors which were detailed in section 1.4 of the report and which were drawn to Members' attention. This had resulted in additional testing of 40 further cases being required and subsequently an additional fee of £1,920 for undertaking the work, bringing the overall total cost of the Audit to £7,819.

Context was offered in that the Authority had dealt with over 39,000 new changes in 2018/2019. As customers transferred to Universal Credit the Authority were often left with more complex cases. The errors identified had represented 0.0001% of changes the authority had managed in total, and whilst the aim was always 100% accuracy the subsidy rules did allow a Local Authority Error value of 0.54% of expenditure, a threshold which the Authority sat well within.

The Assistant Director of Change Management and Regulatory Services, as the responsible service director, was introduced and welcomed to the meeting.

Debate ensued and Members questioned whether the additional audit fee was value for money given the number and value of the error finds.

Members were advised that the original audit was conducted in line with the requirements of the DWP, it was their guidance which stipulated what action the Authority must undertake if any errors were found as part of that initial audit. As such, it was not a cost the Authority could avoid, it was a requirement upon them. The risk of additional audit work was always something considered in budget setting, and as such contingency budgets were in place. Whilst the fee was in excess of the original amount anticipated, the contingency budget had ensured the Authority had not in effect overspent for this work.

The Government in effect required assurance that the monies being re-claimed from them for Housing Benefits payments made by the Authority had been calculated appropriately. As such they set the parameters. Had the additional work identified further significant errors, the audit would have been "value for money", however the audit did not and that was to be welcomed, with the value being in the assurance.

Having had the expectable error rate clarified and given that the Authority had been well within this, and yet still had been required to undertake a significant amount of additional work, at additional cost, a Member questioned whether this was a proportionate requirement

of the Government and questioned whether representations should be made

Other Members considered the value came from the assurance the audit provided that small errors were not indicative of something on a much larger scale. This additional work had given this assurance that systems and process were on the whole robust and this was to be welcomed.

The Chairman sought assurance from the responsible service director, given that errors had been identified in the last two years claims, as to what if any additional measures and mitigations actions were being implemented, accepting that the value level of error was very low.

In responding Members were advised the team as a whole have been given refresher training session on Subsidy and the calculation of earnings.

Regular coaching sessions had been introduced meaning changes to Policy and requirements could be dealt with quickly. Calculation of earnings was a particularly complex area at the current time.

It was also noted that had the Authority not undertaken the additional auditing requirements it could have penalised the whole case load, at a much greater cost to the Authority.

The Chairman offered context around recommendation two and this recognised the changed nature of the report over recent years

RESOLVED that: -

- (a) the report contents and outcome of the Housing Benefit Assurance Process be accepted
- (b) future reports be owned by the Assistant Director of Change Management and Regulatory Services

6 REVIEW OF WHISTLEBLOWING ACTIVITY

The Committee considered the annual report which reviewed the use of the Whistleblowing Policy, including any instances of staff using the Procedure.

The Policy itself had last been reviewed in October 2019 and was due to be refreshed within the 2021/22 civic year.

Whilst there had been no reported cases within the year, it was still vitally important that the Authority maintained and continued to publicise the reporting mechanisms and Officers outlined the various mediums by which such promotion was undertaken.

Recent third party reviews such as the Peer Review and the Good Governance audit have provided objective assurance that a prevailing culture of honesty existed across the Council.

Debate ensued and the Vice-Chairman indicated of detailed discussion the Committee had had in their pre-briefing regarding whistleblowing and the negative connotations often

associated with the phrase. The role of the Councillor within the Policy had also been carefully considered, and whilst Councillors would not usually be involved at an operational level, it was suggested that maybe with a Policy of this nature it would be appropriate and as such training should be offered to both Officers and Councillors.

It was also suggested that Whistleblowing often came with expectations including the outcomes achievable, the “blowers” involvement in the process, their ability to affect the process and as such it was suggested that further guidance on such matters could be included in the Policy. Another suggestion for consideration was that of having a dedicated telephone number / e-mail for whistleblowing.

In light of the suggestions above and in line with recommendation two on the printed report, which asked the Committee to consider recommending changes to be incorporated into the Policy for consideration by the Joint Staff Consultative and Corporate Policy & Resources Committees, the following amendment was moved and seconded: -

That the Joint Staff Consultative Committee and Corporate Policy and Resources Committee, when reviewing the Whistleblowing Policy consider the following recommendations:

- 1) That reference to guidance on Whistleblowing published by the Department for Business, Innovation and Skills be incorporated into the Whistleblowing Policy;
- 2) That consideration be given to including the option of whistleblowing to, or at least consulting with, an independent person - for example our Internal Auditors (currently Assurance Lincolnshire) or Members (including Independent Members).
- 3) That the Whistleblowing Policy should incorporate details of training on the Policy to Officers both upon commencing employment and subsequently at appropriate regular intervals.
- 4) The role of Members in Whistleblowing should be considered and guidance provided on what to do if an Officer whistleblows to a Member.
- 5) Consideration should be given to expand the guidance to whistleblowers on the process and likely consequences of whistleblowing. There should be a greater emphasis on managing the expectations of whistleblowers.
- 6) Consideration should be given to a separate whistleblowing telephone number and email with a dedicated Officer responsible for monitoring and taking appropriate action, Alternatively, if this is already in place its prominence in the policy should be increased.

The Committee did again acknowledge the third party reviews and the positive outcomes reported. Indication was sought and received that the Whistleblowing Policy would be considered by both JSCC and Corporate Policy and Resources prior to the end of the Civic year (April 2022) and would be added to appropriate work plans. It was further confirmed that the amendments suggested were appropriate.

On being put to the vote, the amendment was approved.

On that basis it was **RESOLVED** that: -

- (a) Members were assured that the Whistleblowing Policy in place was working effectively; and
- (b) that the Joint Staff Consultative Committee and Corporate Policy and Resources Committee, when reviewing the Whistleblowing Policy consider the following recommendations:
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 - 2) That consideration be given to including the option of whistleblowing to, or at least consulting with, an independent person - for example our Internal Auditors (currently Assurance Lincolnshire) or Members (including Independent Members).
 - 3) That the Whistleblowing Policy should incorporate details of training on the Policy to Officers both upon commencing employment and subsequently at appropriate regular intervals.
 - 4) The role of Members in whistleblowing should be considered and guidance provided on what to do if an Officer whistleblows to a Member.
 - 5) Consideration should be given to expand the guidance to whistleblowers on the process and likely consequences of whistleblowing. There should be a greater emphasis on managing the expectations of whistleblowers.
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7 WORKPLAN

Members were reminded of the mandatory requirement upon Committee Members to undertake appropriate training prior to consideration of the Statements of Accounts, which was scheduled to be considered by the Committee at its next meeting.

The Chairman advised, as such, training would be held on the day of the next meeting, in the Chamber prior to the Committee's formal meeting. Further details would be circulated in due course and with no further comments, the work plan was **NOTED**.

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The meeting concluded at 2.46 pm.

Chairman