

## WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall on 15 October 2019 commencing at 2.00 pm.

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

Councillor Christopher Darcel  
Councillor David Dobbie  
Councillor Mrs Caralyne Grimble  
Councillor Mrs Jessie Milne  
Councillor Mrs Angela White  
Alison Adams  
Andrew Morriss  
Peter Walton

**In Attendance:**

Alan Robinson	Monitoring Officer
Tracey Bircumshaw	Strategic Finance and Business Support Manager
James O'Shaughnessy	Corporate Policy Manager & Deputy Monitoring Officer
John Sketchley	Internal Audit
Natalie Kostiuik	Customer Experience Officer
Ele Snow	Democratic and Civic Officer

**Apologies:** Councillor Mrs Tracey Coulson

**Membership:** Councillor Mrs Jessie Milne was appointed for this meeting only

### 20 PUBLIC PARTICIPATION PERIOD

There was no public participation.

### 21 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 25 July 2019 were approved as a correct record.

### 22 MEMBERS DECLARATIONS OF INTEREST

None.

## **23 MATTERS ARISING SCHEDULE**

The matters arising schedule was noted.

## **24 ANNUAL FRAUD REPORT 2018/19**

Members considered the Annual Fraud Report for 2018/19. The Strategic Finance and Business Support Manager explained there had been three instances of fraud identified across the year, those being assumed thefts from car parking machines, one email request to transfer funds to a Councillor and one instance with SureStaff. There was also £20,000 worth of housing and council tax fraud identified.

There was discussion regarding the assumed thefts from car parking machines and it was clarified that there had been different amounts of money missing on different days. An internal investigation had included the machines being checked for faults or evidence of tampering, however this had been ruled out. It was confirmed that while there had been no evidence to pursue anything further, there had been changes made following discussions with the contractor in charge of emptying the machines and the discrepancies had since stopped.

It was further clarified that the housing and benefits fraud amounts had been separate cases of similar amounts and action was taken to recover the monies. A Member of Committee commented on there being such a low incidence rate of fraud across the council and the Strategic Finance and Business Support Manager highlighted the number of substantial assurances awarded by the auditors in terms of controls in place.

The Chairman thanked the Strategic Finance and Business Support Manager for a clear report adding the format was much improved on previous years.

**RESOLVED** to endorse the content of the report and support the ongoing counter fraud work to protect the Authority's interests.

## **25 INTERNAL AUDIT QUARTER 2 REPORT 19/20**

The Committee heard from John Sketchley, Audit Team Leader, regarding the 2019/20 quarter two audit report. He highlighted to Members the work that had been undertaken since the report was drafted. The Vulnerable Communities report had been at draft stage but was now at the final version; Key Controls – Financial Resilience was in the final stage and the Corporate Plan Delivery and the Golden Thread was substantially complete. It was explained that, at the time of writing the report, the work in progress had been slightly behind schedule however as a result of the work completed as detailed above, they were currently at a delivery rate of 48% against a target of 52%, which was an improved picture to that detailed in the report. The Audit Team Leader highlighted the other areas of interest in the report such as the outstanding recommended actions, both of a medium priority, and the overall view of this year's audit plan. He confirmed that the plan would be completed within the year.

A Member of Committee enquired about the outstanding action points, in particular noting

that there was one outstanding from November 2018. The Corporate Policy Manager explained that the action, regarding the Customer First strategy, had been given an original completion date of 31 March. It was acknowledged that, due to the involved nature of the Customer First work programmes, the original completion date had been overly ambitious. The Committee heard that each element of the strategy had a different lead and there had also been a change of sponsorship in the intervening period. The Corporate Policy Manager stated that sign off was due to happen by 31 October 2019 and the sponsorship sign off from the retired Executive Director of Operations / Head of Paid Service to the Executive Director of Resources / Head of Paid Service / S151 Officer would also be finalised at that point.

There was discussion around the length of time that was acceptable for an action to be outstanding. The Monitoring Officer explained there was no rule about it and acknowledged delays could be disappointing but the Committee received such details for the reason of monitoring actions and delays. He highlighted that for this action in particular, there had been more complications than anticipated but it was more important to do it right rather than do it quickly.

A Member of Committee acknowledged that there were fewer actions out of time than had previously been experienced but requested further updates on those actions. The Chairman suggested that where there were delays, greater detail could be included in the report in order to inform the Committee of current status. The Corporate Policy Manager highlighted that for the strand of work in question, there had been five recommendations in total with only the one outstanding. He highlighted that this demonstrated the work had been focussed on but acknowledged the deadline for that one outstanding action had likely been overly optimistic.

**RESOLVED** to note the report.

## **26 LOCAL GOVERNMENT OMBUDSMAN ANNUAL REVIEW LETTER 2018/19**

The Committee heard from the Customer Experience Officer regarding the complaint referrals to the Local Government Ombudsman (LGO) for 2018/19. It was summarised that 20 complaints had been referred to the LGO, the majority of which had been related to planning matters as was normal for Local Authorities, in total six had been upheld. Four had initially been referred in 2016 and 2017 but were complex complaints and the actions had already been implemented. The Customer Experience Officer highlighted that to date, there had only been five complaints referred to the LGO and the one complaint to have been upheld had been referred in the previous year. To date, no complaints referred to the LGO in the current year had been upheld.

A Member of Committee enquired as to how the council communicated with a complainant when the LGO upheld their complaint. It was explained that the final response would be communicated formally in writing but there would usually be verbal communication throughout the process. There was also discussion regarding the issue of maladministration and whether this was the same across all complaints it referred to. It was explained that there were different aspects covered within the one area, such as processes not being followed or procedures being incomplete. It was clarified that if there was an individual officer identified as responsible, their team manager would deal with any resulting actions,

however, where there were failings within a procedure, it would be reviewed and amended as necessary. Training would be rolled out to all officers as appropriate and lessons learnt would be built into the working processes.

The Chairman thanked the Customer Experience Officer for a clear and concise report and suggested that, given the changes to the complaints process in the past year, a further audit could be considered in the future.

**RESOLVED** to welcome the report from the Local Government Ombudsman and acknowledge the work which has been undertaken to incorporate the learning from the report's findings into how West Lindsey District Council works as an organisation.

## **27 MEMBER DEVELOPMENT - ANNUAL REPORT**

The Democratic and Civic Officer introduced the Annual Report for Member Development. She explained that it focussed on the May 2019 Induction Programme, covering attendance figures, feedback and suggestions for the future. She highlighted to the Committee that the first meeting of the Member Development Group had met and identified their priorities for the coming months and years. It was summarised that the main priorities were the introduction of online training options; the development of a comprehensive induction for Councillors joining through a by-election; and initial preparations for the 2023 Induction Programme, taking into account the lessons from May 2019.

The Committee discussed the benefits and pitfalls of online training and it was clarified that face to face sessions would still be undertaken – the online options would not be the only training provision. The Democratic and Civic Officer explained how online training was implemented for Officers and the range of training courses that were available through the existing providers. It was also queried how it could be monitored whether Councillors were undertaking the online courses. The Chairman confirmed that the online training would be accessed via personal log-in details and completed courses would be recorded within the training system, meaning it would be straightforward to see who had completed which courses. He added that most courses included 'check your understanding' sections meaning it was also possible to assess whether the training had been beneficial or not, however, as with most development sessions within the council, there was no power with which to mandate Councillors to attend or complete such training. The Monitoring Officer highlighted that any Member who did not attend the committee specific mandatory training would not be able to sit on that committee, but there were no such sanctions for other training or development sessions.

A Member of Committee enquired about the reduced attendance rate through 2018/19, from an average of a third of Councillors attending, to a fifth of Councillors that year. It was explained that attendance figures did tend to fluctuate and that the final year of a four year term was usually quieter both in terms of sessions offered and numbers attending. The Corporate Policy Manager explained that attendance figures and satisfaction levels were now recorded through the performance and delivery measures and that for the current year, attendance was running at around 42%, which was slightly above previous average attendance levels.

The Chairman confirmed that the Member Development Group would be meeting again in

November and would move forward with the online training options.

**RESOLVED** that:

- (1) Members accept the report as an accurate reflection of Member Development over the past municipal year;
- (2) Members approve the priorities as identified by the Member Development Group, those being: online training options, the induction process for Members elected through by-elections and initial work on the full 2023 Induction Programme;
- (3) Members agree to receive a further report no later than April 2020 in which options for alternative methods of delivery (ie, online training options) will be detailed and approval sought for actions in the 2020/21 municipal year.

**28 WEST LINDSEY DISTRICT COUNCIL RISK STRATEGY 2019-2023 AND SIX-MONTHLY REVIEW OF STRATEGIC RISKS**

The Committee gave consideration to a report from the Corporate Policy Manager which covered both the Risk Strategy 2019-2023 and the six monthly review of strategic risks. He explained that, based on the new Corporate Plan, there had been slight amendments to the risk strategy. He reminded Members that the risk strategy was ultimately how much risk the Council was prepared to take in any given scenario. He highlighted that the risk appetite for the Council had been assessed as 'creative and aware', willing to consider all potential delivery options, and that ethos underpinned the whole strategy.

The Committee heard of one amendment regarding the consideration of both inherent risk (an estimation of the worst case scenario if the risk were to occur) and target risk (the reality if the risk were to occur once all mitigations were in place). The re-confirmed scoring matrix, a 4x4 matrix of likelihood and impact, was also highlighted within the report. The Corporate Policy Manager explained that work had been undertaken in recent years to ensure that risk awareness was inherent in day to day activity and the Council had been praised for this approach by Internal Audit. It was important for this to be maintained.

There was discussion regarding the accessibility of the risk strategy and the clear thread through the organisation that ensured everyone was aware of their risk responsibility. It was agreed that the document explained the information in a clear and concise format and was easy to navigate around.

Following a question from a Member of Committee regarding cases of data loss across the Council, the Corporate Policy Manager introduced the second part of the report regarding the six monthly review of strategic risks. He explained that the assessment template detailed what the triggers might be, the potential impact, the current controls in place and any other areas of consideration. Using the example of information security, the likelihood of it happening was high, despite the measures in place and the structures needed to be as robust as possible. The fact that there had not been significant losses was likely to be the strength of the systems but there always needed to be structured discussion around the likelihood, the impact and how to reduce both.

There was discussion regarding the risks included in the report and whether there were any marginal risks not covered. Members heard that all risk areas were based around the delivery of the Corporate Plan and that if any service risks impacted on strategic delivery, they would be referenced in the report. Members engaged in discussion around the risks that sat outside of the control of the District Council and it was confirmed that there was a role for the Council to play, for example in education. The Corporate policy Manager explained several initiatives that were running across the Council with the aim of making small improvements where possible. He gave the example of work experience placements for students and a mentoring scheme that had been running successfully for over 12 months.

With regards to the impact Brexit may have on the Council's commercial ventures, it was confirmed that nothing could be done currently about the unpredictable impact there may be, but the Council was aware of the need to keep monitoring such risks. The planning and preparation for Brexit had been about the continuation of providing critical services, for example in case of blockades, and ensuring plans were in place to offset any difficulties as they arose.

**RESOLVED** that:

- (1) Members approve the Council's Risk Management Strategy 2019 – 2023;
- (2) Members be assured that strategic risks were being captured, considered and managed effectively.

## **29 WORKPLAN**

The work plan was noted. The Corporate Policy Manager stated that the combined assurance report would be presented to Committee in March 2020.

The meeting concluded at 3.12 pm.

Chairman