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GOVERNANCE AND RESOURCES COMMITTEE

Minutes of a Governance and Resources Committee Meeting held at 6.00 pm on Thursday 20 August 2020.

Under Regulations made under the Coronavirus Act 2020, the meeting was held virtually. Members of the public were able to view the virtual meeting via the District Council's website at www.derbyshiredales.gov.uk or via our YouTube channel.

PRESENT

Councillor Sue Bull - In the Chair

Councillors Jacqueline Allison, Neil Buttle, David Chapman, Tom Donnelly, Steve Flitter, Alyson Hill, Susan Hobson, Michele Morley, Garry Purdy, Mike Ratcliffe, Peter Slack and Alasdair Sutton.

Paul Wilson (Chief Executive), James McLaughlin (Director of Corporate & Customer Services and Monitoring Officer), Karen Henriksen (Director of Resources), Tim Braund (Director of Regulatory Services), Jenny Williams (Internal Audit Consortium Manager), Steve Capes (Director of Regeneration and Policy), Rob Cogings (Director of Housing), Mike Galsworthy (Estates & Facilities Manager) Lynne Cheong Policy Officer, Consultation & Equalities), Chris Laver (Democratic and Electoral Services Manager), Jim Fearn (Communications and Marketing Manager) and Jackie Cullen (Committee Assistant).

John Pressley - Mazars LLP

APOLOGIES

Apologies for absence were received from Councillors Paul Cruise and Claire Raw. There were no substitute Members.

41/20 – MINUTES

It was moved by Councillor Michele Morley, seconded by Councillor Susan Hobson and

RESOLVED That the minutes of the meeting of the Governance and Finance
(unanimously) Committee held on 09 January 2020 be approved as a correct record.

42/20 – COMPLAINTS MONITORING

Councillor Alyson Hill arrived at 6.04pm during discussion of this item.

The Committee considered a report on formal complaints made under the District Council's internal Complaints Procedures; those referred to the Local Government Ombudsman; and against individual elected member behaviour at town, parish and District Council level.

Details of complaints against the Council that were dealt with through the Council's Complaints Procedure as formal complaints were tabled in paragraph 1.1 of the report. During 2019/20 the District Council received 31 stage 2 & 3 complaints, compared to 66 in the previous year. The Council's complaints procedure was outlined in the report.

The details of the complaint decisions taken by the Local Government Ombudsman were tabled in paragraph 2.3 of the report.

The Confidential Reporting Policy, or Whistleblowing Policy, required the Monitoring Officer to report to the Committee periodically, on matters referred to him under the terms of the Policy. No matters were referred under the policy in 2019/20.

A summary of complaints received in 2019/20 against elected member behaviour was tabled in paragraph 4.3 of the report.

It was moved by Councillor David Chapman, seconded by Councillor Neil Buttle and

RESOLVED That the report be noted.

Voting:

For	12
Against	0
Abstentions	1

The Chairman declared the motion CARRIED.

43/20 – PROPOSED GRANT AND COMMUNITY ASSET TRANSFER OF LAND AT HULLARD WARD RECREATION GROUND, OFF ASHES AVENUE, HULLAND WARD

Following the negotiation and agreement of a consideration of £50,000 from a Housing developer in return for the grant of a drainage easement across land in the ownership of the District Council but subject to an unregistered lease to Hulland Ward Parish Council (HWPC), the Committee considered a report that recommended regularising the situation by paying a grant to HWPC equivalent to their share of the consideration received and

thereafter transferring the freehold of the previously leased land to them as a Community Asset Transfer (CAT).

The current position negotiated with Hulland Ward Parish Council (HWPC) and Clowes Development (UK) Ltd (CDUK) and the actions and agreements required to progress the granting of an easement were set out in Section 2 of the report.

A draft plan for the CAT was attached at Appendix 1 to the report and the proposed outline terms for the grant and CAT were set out in paragraphs 3.2 and 3.3 of the report.

The Council's Valuer considered the terms agreed to represent the best price reasonably obtainable for the rights granted.

HWPC and the Hulland Ward Member had been consulted on the proposed arrangements and were agreeable.

It was moved by Councillor Mike Ratcliffe, seconded by Councillor Tom Donnelly and

RESOLVED
(unanimously)

1. That Council be requested to include the sum of £22,000 in the revised capital programme for 2020/21 for a grant of £22,000 to be made to HWPC for the improvement of community facilities on the terms stated in 3.1 of the report. Payment of the grant is subject to approval at full Council;
2. That the terms outlined in paragraph 3.1 of the report for a freehold Community Asset Transfer of the Hulland Ward Recreation Ground to HWPC as shown edged red on the plan at Appendix 1 to the report are agreed.

44/20 – EQUALITY, CONSULTATION AND ENGAGEMENT PLAN 2019/20

The Committee considered an update on progress against the actions set out in the Council's Equality, Consultation and Engagement Plan 2019/20, and sought approval for the Equalities, Consultation and Engagement Plan for 2020-22 and revised Equality Objectives that linked to the new Corporate Plan.

As required by legislation, updated equality information had been published on the District Council's website early in 2020.

The Equality, Consultation & Engagement Plan 2019/20 set out performance measures/targets which were detailed in Appendix 1 to the report. All of the identified targets had been fully achieved, with two of the four performance measures exceeding the target set, as identified in paragraph 2.2 of the report.

Following consultation in 2012, three draft equality objectives had been agreed at Community & Environment Committee on 19 April 2012. Progress had been reported annually and reviewed periodically, and progress towards those objectives at March 2020 was summarised in Appendix 1 to the report.

Since the inception of target actions in 2012, new priorities had emerged through consultation with local communities and businesses in the Dales, in particular from consultation for the Council's new Corporate Plan in 2019. The 3 broad priority areas within

the Corporate Plan 2020 – 2024 were shown in the report, and in line with these it was recommended that the Equality Objectives for 2020 - 2024 be updated as follows:

- Objective 1: Maintain high customer satisfaction about the quality of services we deliver
- Objective 2: Implement the Derbyshire Dales Climate Change Strategy and make improvements to the operational aspects of the Clean & Green service
- Objective 3: Promote housing development that meets the needs of the present and future population of the District
- Objective 4: Seek to attract investment that supports the local economy including the provision of jobs for younger people
- Objective 5: One team, working together as one Council with one purpose

An updated Equality, Consultation and Engagement Plan for 2020-2022 was set out in Appendix 2 to the report; key areas for consultation in this period were set out in paragraph 4.2 of the report and key areas of equality work in paragraph 4.3 of the report.

To minimise the risk of legal challenge and to ensure that the potential impact upon protected groups was taken into account in the District Council’s decision making framework, Equality Impact Assessments (EIAs) were prepared where needed. Completed Equality Impact Assessments were summarised and presented for Members’ review when new or revised policies were being considered at Committee or Council meetings, and were also published on the District Council’s website to demonstrate compliance with the Equality Duty. The EIAs expected for the period 2020-22 were set out in the report.

It was moved by Councillor Garry Purdy, seconded by Councillor Mike Ratcliffe and

RESOLVED
(unanimously)

1. That progress against the actions in the Equality, Consultation and Engagement Plan 2019/20 be noted.
2. That the Equality Objectives for 2020-2024 as set out in paragraph 3.4 of the report be approved.
3. That the Equality, Consultation and Engagement Plan 2020-22 as set out in Appendix 2 to the report be approved.

45/20 – ANNUAL GOVERNANCE STATEMENT 2019/20

The Committee was asked to approve a report on the Annual Governance Statement for 2019/20 that was consistent with the CIPFA/SOLACE Framework “Delivering Good Governance in Local Government”, and that met the requirements of the Accounts and Audit Regulations 2015.

The Annual Governance Statement was attached at Appendix 1 to the report and described the key elements of the governance framework and the process that had been applied in maintaining and reviewing the effectiveness of the governance framework. The Annual Governance Statement (AGS) for 2019/20 included a new Section 5 that provided an assessment of the impact of the coronavirus pandemic on governance in 2019/20 and 2020/21.

Section 5 of the Annual Governance Statement provided an update on progress on the significant governance issues identified in the 2018/19 AGS and identified three significant

governance issues for the 2019/20 AGS, along with an action plan to show how they would be addressed during 2020/21.

Section 6 of the Annual Governance Statement provided an update on progress on the significant governance issues identified in the 2018/19 AGS and identified three significant governance issues for the 2019/20 AGS, along with an action plan to show how they would be addressed during 2020/21.

It was moved by Councillor Garry Purdy, seconded by Councillor Mike Ratcliffe and

- RESOLVED** (unanimously)
1. That the Annual Governance Statement for 2019/20 is approved.
 2. That the significant governance issues, and the action plan to address them, be noted.

46/20 – DATA PROTECTION

The Committee considered approval of an updated Data Protection Policy that provided information relating to Data protection activities.

The current Data Protection Act and the General Data Protection Regulation (GDPR) came into force in May 2018, and this Committee approved a Data Protection Policy in 2018. The policy had been reviewed by The Information Governance Board and the Corporate Leadership Team and updated. A draft policy was set out in Appendix 1 to the report, with the key changes relating to the introduction of the Data Protection Act 2018 (since the last policy was approved) and current advice from the ICO.

The Data Protection Policy should be next reviewed in two years to ensure that it reflected the latest legislation, guidance and best practice. It was recommended that delegated powers be given to the Head of Resources to make minor amendments to the Data Protection Policy, when necessary.

In the two years since the previous Policy was approved, the following key activities had taken place:

- Mandatory training for employees and members;
- Introduction of the Personal Information Asset Register and Personal Data Processing Conditions;
- The introduction of the Compliance Register to enable centralisation of mandatory logs, which also enables the Council to identify patterns and trends.

Key data for 2019/20 by month and by category as well as details of requests for information under the Right of Access were tabled in paragraph 2.2 of the report, showing that only one Personal Data Breach required notification to the ICO, for which the 72 hour statutory timescale for reporting had been met.

Planned activities for the coming months were listed in the report.

It was moved by Councillor Michele Morley, seconded by Councillor Mike Ratcliffe and

RESOLVED
(unanimously)

1. That the Data Protection Policy shown in Appendix 1 to the report is approved.
2. That delegated authority be given to the Head of Resources to make minor amendments to the Data Protection Policy.

47/20 – EXTERNAL AUDIT REVIEW OF INTERNAL AUDIT

The Committee considered a report on the format of the external review of internal audit as required by the Public Sector Internal Audit Standards (PSIAS).

Derbyshire Dales District Council joined with the Internal Audit Consortium to have its first external assessment in July 2016, the results of which were reported to this committee in October 2016. The review concluded that the Consortium and DDDC met, and in some places exceeded, the requirements of the Public Sector Internal Audit Standards. A number of improvements were identified from the review and these had been implemented.

The next external review of internal audit was due in July 2021. It was recommended that DDDC had their external review at the same time as the Internal Audit Consortium in order to take advantage of economies of scale and the shared learning that this would offer.

The recommended form of assessment was set out in the report, along with the appropriate qualifications required of an assessor; the assessment process and the potential cost of procuring an assessor.

It was moved by Councillor Tom Donnelly, seconded by Councillor Susan Hobson and

RESOLVED
(unanimously)

1. To approve an external assessment of Derbyshire Dales District Council's Internal Audit Section at the same time as the external assessment of the Internal Audit Consortium.
2. To delegate authority to the Internal Audit Consortium Manager and the Director of Resources to agree the specification of the assessment, to assess quotations received based on cost and quality and to appoint an external provider to undertake the assessment.
3. That the budget for the assessment (£2,000) be included in the revenue spending proposals for 2021/22.

48/20 – INTERNAL AUDIT ANNUAL REPORT 2019/20

In line with The Public Sector Internal Audit Standards (PSIAS)'s requirement that the Head of Internal Audit deliver an annual internal audit opinion and report that could be used by the organisation to inform its governance statement, the Committee considered the following.

- A summary of the internal work undertaken during 2019/20 from which the opinion on the internal control environment was derived;
- An opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion;
- Any issues that required inclusion in the Annual Governance Statement;
- The results of the performance indicators for internal audit;
- Comment on compliance with the Public Sector Internal Audit Standards (PSIAS);
- Comment on the results of the internal quality assurance programme;

- Confirmation of the organisational independence of internal audit;
- A review the performance of the Internal Audit Section against the current Internal Audit Charter.

Appendix 1 to the report set out the details of the audit reports issued in respect of audits included in the 2019/20 internal audit plan, showing for each report the assurance level on the reliability of the internal controls, together with a definition of the assurance levels. There were no issues relating to fraud arising from the reports.

The performance indicators for the Internal Audit Section were tabled in paragraph 2.3 of the report, with explanatory notes. It should be noted that whilst 45 recommendations were made in 2019/20, it was not possible at present to identify how many of those recommendations were outstanding due to COVID 19. A report would be brought to members in September 2020 that would detail all outstanding recommendations along with any managers' comments.

The Internal Audit Consortium Manager's annual audit opinion concluded on the overall adequacy and effectiveness of the organisation's framework of Governance, risk management and control as shown in paragraph 3.2 of the report.

The internal control issues arising from audits completed in the year had been considered by the Director of Resources during the preparation of the Annual Governance Statement. Asset Management had been included as a significant governance issue in the Annual Governance Statement Action Plan.

The Internal Audit Plan for 2019/20 had been approved by the Governance and Resources Committee on the 28th February 2019. Overall, 91% of planned audits were completed during the year. Two audits were not completed (refuse collection and transport) and these would be carried forward in to the 20/21 financial year.

Compliance with the PSIAS and other quality assurance results were covered in Section 6 of the report, and it was confirmed that there were no significant areas of non-compliance.

A review and update of the Internal Audit Charter had been undertaken and would be circulated to Members for approval. Based on the information provided in the report on the completion of the 2019/20 internal audit plan, it was considered that the requirements of the Charter were met during the year.

It was moved by Councillor Tom Donnelly, seconded by Councillor David Chapman and

RESOLVED That the Internal Audit Annual Report for 2019/20 is approved.
(unanimously)

49/20 – INTERNAL AUDIT CHARTER

The Committee considered a report on the results of a review of the Internal Audit Charter, attached as Appendix 1 to the report, and that sought approval for the updated Charter.

There were no changes recommended in respect of the content of Internal Audit Charter as it was felt that it was still fit for purpose. The only update was in relation to a title change from Head of Resources to Director of Resources.

It was moved by Councillor Steve Flitter, seconded by Councillor Peter Slack and

- RESOLVED** (unanimously)
1. That the outcome of the review of the Internal Audit Charter is noted;
 2. That the updated Internal Audit Charter be agreed;
 3. That the Internal Audit Charter be reviewed in a year's time or sooner in the event of any significant changes being made to the Public Sector Internal Audit Standards.

50/20 – EXTERNAL AUDIT PROGRESS REPORT

The Committee considered a report on:

- an update on progress in the external auditors delivering their responsibilities for the audit of the 2019/20 Statement of Accounts;
- information about a fee increase;
- a summary of key national publications that may be of interest to Members.

The Director of Resources advised that the draft accounts had been given to her today for her quality assurance and sign-off, which she anticipated would be done early next week and published in time to meet the extended statutory deadline of 31 August.

The audit progress report from Mazars was attached as Appendix 1 to the report and Mr John Pressley of Mazars took questions on this item.

The report detailed the effects of the coronavirus pandemic on progress, leading to an increased audit fee to reflect the increased level of work that was not considered when the scale fee was set. Further justification for the proposed fee increase is set out in the Audit Progress Report and reflected, in particular, additional work that must now be carried out to provide assurance on pensions and valuation of property, plant and equipment (PPE).

It was moved by Councillor Steve Flitter, seconded by Councillor Neil Buttle and

- RESOLVED** (unanimously) That the “Audit Progress Report (August 2020)” from the External Auditor be noted.

51/20 – MEMBER DEVELOPMENT WORKING GROUP

The Committee considered a report outlining a work plan for the Member Development Working Group and providing an update on the work of the group during the 2019/20 Civic Year.

The Member Development Working Group's composition and Terms of Reference were set out in the report.

Although the group's activity in the past year had been curtailed by the Covid-19 situation, it had set goals in its meetings on 30 June and 23 July, as shown in the report. Its progress was set out in the body of the report, and the updated work plan for 2020/2021 had been circulated following publication of the Agenda.

It was moved by Councillor Jacqueline Allison, seconded by Councillor Michele Morley and

RESOLVED
(unanimously)

1. That the plan for work to be undertaken by the Member Development Working Group during 2020/21 be approved.
2. That the draft training plan for 2020/21 be approved.
3. That mandatory training for Planning and Ethics, Licensing and data protection be completed by 31 December 2020 by all relevant members

52/20 – JOINT CONSULTATIVE GROUP: MINUTES OF 29 JANUARY 2020

It was moved by Councillor Steve Flitter, seconded by Councillor Tom Donnelly and

RESOLVED
(unanimously)

That the Minutes of the Joint Consultative Group held on 29 January 2020 be received.

MEETING CLOSED – 8.16PM

CHAIRMAN