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GOVERNANCE AND RESOURCES COMMITTEE

Minutes of a Meeting held on Thursday 14 September 2017 in the Council Chamber, Town Hall, Matlock at 6.00pm

PRESENT

Councillor Jacquie Stevens - In the Chair

Councillors Deborah Botham, Sue Bull, Albert Catt, Tom Donnelly, Steve Flitter, Helen Froggatt, Chris Furness, Neil Horton, Angus Jenkins, Mike Ratcliffe, Mark Salt, Colin Swindell, John Tibenham and Joanne Wild.

Paul Wilson (Corporate Director), Karen Henriksen (Head of Resources), Ashley Watts (Head of Community Development), Mike Galsworthy (Estates and Facilities Manager), Jim Fearn (Communications and Marketing Manager), Karen Cooper (Community Safety Officer), James Riggott Collins (Corporate Support Apprentice) and Jackie Cullen (Committee Assistant).

John Cornett and Katie Scott, KPMG (External Auditor).

Councillor Joyce Pawley attended as Member representative in respect of item 9 on the Agenda.

3 members of the public.

APOLOGIES

Apologies for absence were received from Councillors Alyson Hill, Tony Millward BEM, Jean Monks, Garry Purdy and Lewis Rose OBE. Councillors Sue Bull, Tom Donnelly and Helen Froggatt attended as Substitute Members.

Apologies were also received from Dorcas Bunton (Chief Executive) and Sandra Lamb (Head of Corporate Services).

129/17 – MINUTES

It was moved by Councillor Jacquie Stevens, seconded by Councillor Colin Swindell and

RESOLVED That the minutes of the meeting of the Governance and Finance
(unanimously) Committee held on 29 June 2017 be approved as a correct record.

The Minutes were signed by the Chairman.

130/17 – EXTERNAL AUDITOR’S REPORT FOR 2016/17 ACCOUNTS

Councillor Angus Jenkins arrived at 6.09pm during discussion of this item.

The Committee considered the Annual Report of the District Council’s external auditors in relation to Governance arrangements. Mr John Cornett, KPMG, presented the report.

The report summarised the key findings arising from the external auditor’s work in relation to the Authority’s 2016/17 financial statements and the work to support the External Auditor’s 2016/17 conclusion on the Authority’s arrangements to secure economy, efficiency and effectiveness in its use of resources (‘VFM conclusion’). A copy of the Auditor’s report was attached as Appendix 1 to the report. It was noted that the key issues in the report relating to the final accounts were as follows:

- Subject to all outstanding queries being resolved to the auditors’ satisfaction they anticipated issuing an unqualified audit opinion on the Authority’s financial statements before the deadline of 30 September;
- The report identified a significant audit risk relating to significant changes in the pension liability due to LGPS Triennial Valuation;
- The report had three recommendations relating to the 2016/17 accounts, as shown in Appendix 1 to the Auditor’s report, together with the management response.

The External Auditor issued an unqualified value for money conclusion, having identified one significant VFM risk, as set out on page 22 of the Appendix to the report.

It was moved by Councillor Chris Furness, seconded by Councillor Steve Flitter and

RESOLVED That the External Auditor’s Report 2016/17 is noted.
(unanimously)

131/17 – STATEMENT OF ACCOUNTS 2016/17

The Committee considered a report that provided interpretation of the Statement of Accounts for 2016/17 and highlighted the key issues. The Statement of Accounts 2016/17 had been audited by the Council’s External Auditors, KPMG.

Some minor changes had been made to the Statement of Accounts in order to address issues identified during the audit. However, the overall financial position remained the same as that reported to Council on 22nd June 2017.

The Audit Opinion would be issued after the Committee had approved the Statement of Accounts and Letter of Representation. As part of corporate governance, the External Auditor was required to report relevant matters relating to the audit to the Committee. The External Audit Report 2016/17 from KPMG was included elsewhere on the Agenda of this meeting.

The Accounts and Audit Regulations stated that the accounts must be prepared in accordance with “proper practices”, as set out in the report. The Council’s accounts had been prepared to comply with proper practices, as demonstrated by the satisfactory completion of the external audit of the accounts. Compliance could also be checked by reviewing the Statement of Accounts against the Audit Commission’s Aide Memoire, which was attached as Appendix 1 to the report.

An amendment to page 7 of the Draft Statement of Accounts was circulated at the meeting; as follows:

“Overall, of the 26 performance indicators for the financial year 2016/17, ~~23 targets where data is available,~~ 20 (80%) were fully or partially achieved.”

It was moved by Councillor Albert Catt, seconded by Councillor Mike Ratcliffe and

RESOLVED That the Statement of Accounts for 2016/17 is approved.
(unanimously)

132/17 – LETTER OF REPRESENTATION 2016/17

The Committee was asked to consider the draft Letter of Representation as part of its responsibility for approving the financial statements. Evidence of such responsibility was via written representation from management and a signed copy of the financial statements. The Head of Resources’ letter of representation had been prepared in accordance with guidance within ISA 580, and was attached as Appendix 1 to the report. It was noted that the letter contained no matters of concern which needed to be brought to the attention of Members.

In addition, ISA 580 required the external auditor to obtain evidence that those charged with governance acknowledged their collective responsibility for the preparation of the financial statements, and had approved same. Approval of the letter of representation by the Governance & Resources Committee prior to receiving the external auditor’s Annual Governance Report contributed to that evidence.

It was moved by Councillor Albert Catt, seconded by Councillor Steve Flitter and

RESOLVED That the draft Letter of Representation is approved.
(unanimously)

133/17 – COMMUNICATIONS AND MARKETING STRATEGY

The Committee considered a report on the Communication and Marketing Strategy, which set out how residents, employees and service users were kept informed about what the District Council was doing, how it was spending public money, and the District Council services they could access.

The aim of the Strategy was to ensure the District Council’s communications helped to promote a positive image of the Council. The adopted Strategy (attached as Appendix 1 to the report) set out a multi-channel approach, as detailed in the report.

The report included a review of the 2016/17 Action Plan together with details of the new action plan for 2017/18, incorporating the allocation of a reduced sum of £5,000 for the

coming year from the communications budget set aside annually to improve the reputation of the District Council.

The Communications & Marketing Hub, of which Councillor Pawley was Member Representative, had agreed that in the coming year it needed to continue to address the issue of signage in a second phase. It was noted, however, that it would not be possible to achieve all the ambitions within the 2016/17 budget. It was reported at the meeting that there had been early interest from local businesses in respect of corporate sponsorship with regard to signage.

A supplementary revenue estimate was requested for approval in the sum of £5,000 to enable the signage works to be completed at a total additional cost of £10,000.

It was noted that paragraph 2.7 should read: "...we have issued 72 releases in the year to date, so are on target."

Communications and Marketing Hub Member Representative Councillor Joyce Pawley commended the strategy, and made particular reference to the overall achievement of the hub's targets, and the aim of updating and improving the signage at Matlock Bath.

It was moved by Councillor Colin Swindell, seconded by Councillor Mike Ratcliffe and

RESOLVED
(unanimously)

1. That the strategic framework of the current Communications and Marketing Strategy is noted;
2. That the action plan for 2017/2018 is approved;
3. That a supplementary revenue estimate is approved in the sum of £5,000 to enable the signage works to be completed in 2017/18.

134/17 – CCTV DATA PROTECTION AND COMPLIANCE

Councillor Joanne Wild left the meeting at 6.51pm prior to discussion of this item.

The Committee considered a report advising on the need to ensure compliance with the impending introduction of the General Data Protection Regulation, including additional resources required to manage the District Council's CCTV system, mainly focused on how the authority needed to respond to people who request CCTV data. The District Council was not currently equipped to deal with the new requirements and following the recommendation by the Data Protection Consultant, an increase of 2 days per week to the CCTV manager's contract for a period of 12 months was requested to help meet these requirements at a cost of approximately £11,100 from the General Reserve. The effectiveness of the extended contract would be monitored and reviewed towards the end of the 12 month period, and the results would be reported back to Members in due course. If it was felt that an extension of the contract was necessary, further funding may be requested.

It was noted that the General Data Protection Regulation did not allow charges for footage requests, therefore there would be no option to recover costs.

It was moved by Councillor Albert Catt, seconded by Councillor Colin Swindell and

RESOLVED That Council be requested to approve expenditure of £11,100 from the
(unanimously) General Reserve to enable an increase in working hours for the
current CCTV Manager.

135/17 – INFORMATION SECURITY POLICY

The Committee considered a report that sought approval of the 2017 revision of the Information Security Policy.

The Council's Information Security Policy was developed by the Joint ICT Service, with the intention that the same policies would apply to all three Councils: Derbyshire Dales District Council, Bolsover District Council and North East Derbyshire District Council, thus ensuring a consistent and efficient approach across the joint ICT service.

The key changes in relation to the 2017 revision were as follows:

- Reference to and adoption of the new Government Security Classification Scheme;
- Improved clarity of key messages;
- Removal of duplication.

The updated policy was attached as Appendix 1 to the report, and included the Joint Information Security Policy and a number of Appendices which provided greater detail and guidance around specific use.

It was moved by Councillor Mike Ratcliffe, seconded by Councillor Chris Furness and

RESOLVED That the updated Information Security Policy is approved.
(unanimously)

136/17 – ICT PROJECTS FOR CAPITAL PROGRAMME 2017-19

The Committee was asked to consider funding for additional capital projects related to ICT in 2017/18 and 2018/19, as detailed in the report, comprising:

Virtual Desktop Server Replacement – Estimated Capital Cost £28,000;
Microsoft Windows Server license upgrade – Estimated Capital Cost £12,000;
Income Management system upgrade – Estimated Capital Cost £15,000.

It was noted that the latter cost was based on a joint project with North East Derbyshire District Council and the price being accepted by 30 September 2017. It was reported at the meeting that North East Derbyshire District Council and Chesterfield Town Council had already committed to the system upgrade.

It was moved by Councillor Mike Ratcliffe, seconded by Councillor Sue Bull and

RESOLVED
(unanimously)

1. That approval be granted for the:
 - a. Virtual Desktop Server replacement
 - b. Microsoft Windows Server license upgrade
 - c. Income Management system upgrade
2. That, subject to the approval of recommendation 1, Council be requested to approve funding for these projects within the revised capital programme.

137/17 - LAND HOLDINGS REVIEW

The Committee considered a report on 2 sites across the District in which expressions of interest or requests to purchase a site or granting a lease had been received. Following detailed consideration of planning, legal and estate management factors, recommendations were made regarding whether the sites should be sold or lease confirmed and the terms which would apply.

The sites were: Site 1 - Land at the Dale, Wirksworth (transfer); and Site 2 - Land at Oddfellows, Hathersage (Lease renewal). An appraisal of each site had taken place and the results and recommendations were summarised in Appendix 1 to the report, together with plans of each site.

It was noted that where it was recommended that a site be sold, the relevant Local Council and Ward Members had been consulted. It was reported at the meeting that the two of the Ward Members in respect of Site 1 were in agreement with the officer recommendation to transfer the land.

It was moved by Councillor Albert Catt, seconded by Councillor Mike Ratcliffe and

RESOLVED
(unanimously)

- 1 That the interested party in respect of site 1 be informed that their request to purchase the freehold is accepted with terms as indicated in Appendix 1 to the report.
- 2 That a new lease is authorised in respect of site 2 as indicated in Appendix 1 to the report.

138/17 – COMPLAINTS MONITORING

Councillor Neil Horton left the meeting at 6.59pm prior to discussion of this item.
Councillor Mark Salt left the meeting at 7.56pm during discussion of this item.

The Committee considered a report that provided information on: formal complaints made under its internal Complaints Procedures; those referred to the Local Government Ombudsman, and against individual elected member behaviour at town, parish and District Council level. The report also recommended an amendment to the Complaints Procedure.

Details of complaints against the Council that were dealt with through the Council's Complaints Procedure as formal complaints were set out in Section 1 of the report, and a summary of the number of complaints by service area compared to the previous year was tabled in paragraph 1.1 of the report.

Anyone who was unhappy with the initial response to their complaint could ask for it to be reviewed by the Chief Executive. 13 complaints were referred during the year, which was an increase of 5 from the previous year. The current policy set time limits for the District Council's officers to respond at various stages in the complaints process. However, it was felt that the time limit for complainants to request the independent review could affect the quality of that response in terms of recall of key events. As such, an amendment to the Procedure was recommended as set out below (shown in bold text):

Stage 3 – Review of Formal Complaint

If you are not satisfied with our response, you can ask us to look at your complaint again. The Chief Executive will review it and we will give you our final decision within 20 days of you asking for a review.

You have three months to make your request for a final review unless you have new information which has come to light since you made the original complaint. In requesting a review, please state your reasons or highlight the point(s) you seek to challenge. If your request for a review is beyond the three month time period, please support your request for a review with the new information you wish to be considered.

Complainants who remained dissatisfied with the handling of their complaint following the final stage of the internal complaints procedure could take their issue up with the Local Government Ombudsman (LGO). The LGO's annual review letter was attached as Appendix 2 to the report and showed that 8 complaints relating to the District Council were received during this period, and 8 decisions were issued as tabled in the report. No findings were made against the District Council, which was a significant achievement.

The Monitoring Officer received five complaints about individual Member behaviour during 2016/17; one related to a Member of the District Council and four related to parish/town councillors. Under the provisions of the Localism Act, the Monitoring Officer was required to assess such complaints against agreed criteria and the relevant authority's Code of Conduct, in consultation with the Independent Person, the criteria for which were set out in the report.

The complaints received in 2016/17 were summarised on the attached schedule, Appendix 3 to the report.

The Confidential Reporting Policy, or Whistleblowing Policy, required the Monitoring Officer to report to the Committee periodically, on matters referred to her under the terms of the Policy. One such matter was referred which subsequently resulted in a disciplinary investigation and dismissal of an employee.

It was moved by Councillor Mike Ratcliffe, seconded by Councillor Albert Catt and

RESOLVED
(unanimously)

1. That the report is noted.
2. That the introduction of a time limit for referral of complaints at the final stage of the Complaints Procedure is approved.

139/17 – POLICY FOR COUNCIL TAX DISCRETIONARY RELIEF UNDER SECTION 13A(1)(c) OF THE LOCAL GOVERNMENT FINANCE ACT 1992

The Committee was asked to consider approval of the adoption of a policy and the granting of delegated authority relating to Council Tax Discretionary Relief.

As Billing Authority for Council Tax, the District Council had the right to use the powers set out in Section 13A(1)(c) of the Local Government Act 1992 (as amended) to reduce the amount of Council Tax payable. This was a means tested discount aimed at providing assistance to those most in need. To use the legal powers, the Council must set out its policy for administering the scheme. A draft Policy that set out the award criteria and application process was attached at Appendix 1 to the report.

It was recommended that decision making be delegated to the Head of Resources, with the Head of Corporate Services providing a back-up service in the event of holiday absence or where a conflict of interest existed.

Where the request for relief was unsuccessful or not met in full, the applicant had a right of appeal. Delegated authority was sought for the Chief Executive to review the original decision and consider whether there were grounds to change the decision. The procedure and timescales were set out in the policy.

It was moved by Councillor Steve Flitter, seconded by Councillor Angus Jenkins and

RESOLVED
(unanimously)

1. That the Policy for Council Tax Discretionary Reliefs under Section 13A (1) (c) of the Local Government Finance Act 1992, as set out in the report is approved;
2. That authority is delegated to the Head of Resources and Head of Corporate Services (where primary contact is absent or has a conflict of interest) to reject and approve Discretionary Rate relief in accordance with the policy;
3. That the Chief Executive is delegated authority to determine appeals in accordance with the policy.

140/17 – APPOINTMENT OF EXTERNAL AUDITOR

At Council in June 2016 Members agreed to opt into the appointing person arrangement being developed by Public Sector Audit Appointments Limited (PSAA) for the appointment of external auditors for the accounts from 2018/19 onwards. PSAA had now made their recommendations on appointments and this report had been prepared as the Council's response to PSAA's formal consultation on the appointment of Derbyshire Dales External Auditor.

PSAA wrote to the Council on 19 June 2017 to advise that they had completed a procurement to let audit contracts from 2018/19. Mazars LLP was successful in winning one of the contracts in the procurement, and PSAA proposed appointing this firm as the auditor of Derbyshire Dales District Council and had now written to the Council to formally consult on this appointment. A copy of the email received from PSAA was attached as Appendix 1 to the report, giving the details of the consultation process and deadlines, and the criteria the Council should consider if it wished to raise any objections against the appointment of Mazars LLP as the Council's External Auditors for the next five years.

Having considered these criteria, Officers were not aware of any issues that would result in raising an objection to the appointment of Mazars LLP as the Council's External Auditors and, assuming Members were not aware of any conflicting issues, would recommend acceptance of their appointment.

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

RESOLVED That the PSAA is advised that the District Council has no objection
(unanimously) to the appointment of Mazars LLP as the External Auditors from 2018/19 for the next five years.

MEETING CLOSED – 8.05PM

CHAIRMAN