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GOVERNANCE AND RESOURCES COMMITTEE

Minutes of a Meeting held on Thursday 22 September 2016 in the Council Chamber, Town Hall, Matlock at 6.00pm

PRESENT

Councillor Jacquie Stevens - In the Chair

Councillors Deborah Botham, Sue Burfoot, Albert Catt, Chris Furness, Alyson Hill, Susan Hobson, Neil Horton, Tony Millward BEM, Garry Purdy, Irene Ratcliffe, Lewis Rose OBE, Mark Salt, Colin Swindell and John Tibenham.

Dorcas Bunton (Chief Executive), Sandra Lamb (Head of Corporate Services), Karen Henriksen (Head of Resources), Mike Galsworthy (Estates and Facilities Manager), Jenny Williams (Internal Audit Consortium Manager), Steve Capes (Head of Regeneration and Policy), Jim Fearn (Communications and Marketing Manager) and Jackie Cullen (Committee Assistant).

Messrs Simon Lacey and John Cornett, KPMG (External Auditor).

Councillors Joyce Pawley and Mike Ratcliffe attended as Ward Members and Member representatives.

APOLOGIES

Apologies for absence were received from Councillors Steve Flitter and Angus Jenkins. Councillor Sue Burfoot attended as Substitute Member.

174/16 – MINUTES

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

RESOLVED
(unanimously)

That the minutes of the meeting of the Governance and Finance Committee held on 9 June 2016 be approved as a correct record.

The Minutes were signed by the Chairman.

175/16 – QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15

Councillor Mike Ratcliffe asked the following question of Councillor Jacquie Stevens, Chair of the Governance and Resources Committee:

“Given the number of Community Asset Transfers being considered by the District Council, Cromford Community Centre and Wirksworth Leisure Centre to name but two, does this Council have in place a Strategy Policy to govern, guide and provide a legal framework where necessary for such transfers? If not, would this committee recommend that such a Strategy should be drawn up and adopted as soon as possible?”

Councillor Stevens provided a written response, as follows:

Community Asset Transfer is a voluntary process entered into proactively by public bodies. Local authorities, have the power to dispose of land and buildings at less than market value where they are able to demonstrate that doing so will result in local improvements to social, economic or environmental well-being. The legislation that allows local authorities to do this is the General Disposal Consent (England) 2003.

The Council does not have a formal Community Asset Transfer Policy and there is no legal requirement to have one; the Council has always considered such transfers, or approaches from Community Organisations requesting asset transfers, on a case by case basis and considered each on its merits in accordance with the legislation that enables the Council to consider such transfers. This perhaps is because no two transfer requests are the same and can indeed have very different ambitions. Also we do not proactively publicise that we would welcome community approaches to take over some Council owned assets; we have to date just responded to requests or, as part of a service review, we might examine this to see if it is a feasible option. Additionally now through our Community Development work we are now exploring some further potential work with communities and use of assets.

In line with the legislation the Council will look at the social/economic and environmental benefits that may be gained by the community it serves and any benefits the wider community may gain through the Council transferring the asset. Asset transfers are always considered by Committee/Council; recent examples include the Matlock Bath Pavilion and Tansley Village Hall, two very different proposals, one from a community group and one from a Parish Council but with one overriding feature in common: that the plans put forward for the assets were to help preserve their community use. Another example which was initiated by the Council was the transfer of public conveniences to Parishes (again an overriding factor in this was to help preserve their community use as the Council, with increasing financial pressures, might not in the future be in a position to support these facilities). Officers will examine the business case for each transfer and present their recommendations to Members, in doing so officers will have regard to community interests and economic efficiency in line with the legislative guidance.

Additional comment from Councillor Mike Ratcliffe:

Given your comment in paragraph 2 above that ‘...we are now exploring some further potential work with communities and use of assets’, does this mean that there may be a Strategic Policy at some stage in the future? This would be valuable as it would provide a legal framework for both parties. With regard to my second example above (Wirksworth Leisure Centre), I consider it worthy of proper guidance so that it may be codified in some way, and that it be given further consideration.

Response from Councillor Stevens:

Wirksworth Leisure Centre forms part of the ongoing Leisure Review, and will be discussed when that report is brought to Committee. With regard to codifying, each case is individual and as such it could be difficult to have a set policy to cover all proposed transfers; however it will be considered as we go forward and if necessary will be brought to Committee for further discussion.

176/16 – INTERNAL AUDIT REPORTS CONCLUDED UNDER THE 2016/17 OPERATIONAL AUDIT PLAN AND FOLLOW UP OF PREVIOUS RECOMMENDATIONS

The Committee considered the internal audit reports produced in respect of the 2016/2017 Internal Audit Plan and the progress made by management in implementing the agreed audit recommendations.

The 2016/17 Operational Audit Plan was approved by the Governance and Resources Committee on 24 March 2016.

A summary of reports issued covering the period 7th May to the 26th August for audits included in the 2016/17 Internal Audit Plan was attached as Appendix 1 to the report. This showed for each report a summary of the Overall Audit Opinion of the audit and the number of recommendations made / agreed where a full response had been received, together with the number of recommendations, analysed between High, Medium and Low priority.

The overall opinion column of Appendix 1 gave an overall assessment of the reliability of the internal controls examined in accordance with the classifications shown tabled in the report. In summary, 9 reports had been issued; 6 with a good opinion 2 with a satisfactory opinion and 1 with a marginal opinion. No reports were issued with an unsatisfactory opinion or unsound opinion. 5 recommendations had been made and accepted and were due to be implemented by the end of October 2016. The marginal report was in respect of section 106 agreements, with the key issues arising set out in the report. In respect of the audits being reported, it was confirmed that there were no issues arising that related to fraud that needed to be brought to the Committee's attention.

The current position at 26th August 2016, of internal audit recommendations made as a consequence of audit reviews, was set out in Appendix 2 to the report. 10 recommendations had been satisfactorily implemented since the last report; 5 were in the process of being implemented; 6 had not passed their implementation date and 9 remained outstanding. It was noted that several recommendations were outstanding from the Data Protection Audit. At the June 2016 meeting of this committee, Members approved a Data Protection Health Check and it was anticipated that these outstanding recommendations would be incorporated into the action plan following the data protection health check.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Tony Millward and

RESOLVED
(unanimously)

That the Committee note the findings and conclusions of the internal audit reviews and follow up of the implementation of previous recommendations.

177/16 – ANTI-FRAUD, BRIBERY AND CORRUPTION STRATEGY (including money laundering)

The Committee considered a report on the Council's draft updated Anti-Fraud, Bribery and Corruption Strategy (including Money Laundering Policy) which was attached as Appendix 1 to the report.

The Council last reviewed its Anti-Fraud and Corruption Strategy and Money Laundering Policy in 2013, when it was agreed that the Strategy should be periodically reviewed to ensure that it was kept up-to-date and remained relevant. Thus, the strategy that had been recommended for adoption had been reviewed and updated to reflect developing good practice. The Corporate Leadership Team had been consulted on the content of the Strategy. If there were further legislative or changes in best practice then the strategy would be reviewed accordingly.

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

RESOLVED That the Governance and Resources Committee approve the Anti-Fraud, Bribery and Corruption Strategy (including Money Laundering Policy) attached at Appendix 1 to the report.
(unanimously)

178/16 – FIGHTING FRAUD AND CORRUPTION LOCALLY

The Committee considered a report on “The local government counter fraud and corruption strategy 2016 – 2019”, which provided an assessment of Derbyshire Dales District Council's position against the Fighting Fraud and Corruption Locally checklist 2016 - 2019.

Fighting fraud and corruption locally was a strategy for English local authorities that was the result of collaboration by local authorities and key stakeholders from across the counter fraud landscape. A link to the full strategy and associated Companion document was provided in the report.

The principles of fighting fraud locally were listed in the report, together with 6 criteria by which local authorities could ensure their counter fraud response was comprehensive and effective. The Strategy recommended that the starting point for each local authority was to perform its own risk assessment and fraud resilience check. As such, the 2016–19 Fighting Fraud and Corruption checklist had been completed by the internal Audit Consortium Manager and the Corporate Leadership Team in conjunction with other relevant officers, attached as Appendix 1 to the report, and an action plan had been developed to address any issues arising, attached as Appendix 2 to the report.

Also attached by way of a link in the report was CIPFA's Fraud and Corruption Tracker Summary Report 2016 - the annual survey of the fraud and corruption detected in local authorities across the UK.

It was moved by Councillor Chris Furness, seconded by Councillor Garry Purdy and

RESOLVED 1. That the local government counter fraud and corruption strategy be noted;
(unanimously) 2. That subject to any comments members may wish to make,

the position shown in the 2016 – 19 Fighting Fraud and Corruption checklist and associated action plan be noted.

179/16 – STATEMENT OF ACCOUNTS 2015/16

The Committee considered a report that provided interpretation of the Statement of Accounts for 2015/16 and highlighted the key issues. The Committee was requested to consider and approve the Statement of Accounts.

The Statement of Accounts 2015/16, distributed separately with the Agenda, 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 30th June 2016.

The Audit Opinion was 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 2015/16 from KPMG was included elsewhere on the Agenda of this meeting.

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.

It was moved by Councillor Garry Purdy, seconded by Councillor Colin Swindell and

RESOLVED That the Committee approves the Statement of Accounts for 2015/16.
(unanimously)

180/16 – LETTER OF REPRESENTATION 2015/16

The Committee was asked to consider and approve the draft Letter of Representation as part of the Members' responsibility for approving the financial statements.

It was moved by Councillor Albert Catt, seconded by Councillor Chris Furness and

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

181/16 – EXTERNAL AUDIT REPORT 2015/16

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 key points were set out in the Headline section, and it was noted that business rates had been previously identified as a key risk; however it was considered that the provision set aside by the Council was appropriate and adequate.

The medium term financial strategy had been a key focus in the report and had been found fundamentally sound. The three areas listed on p.74 of the report as being outstanding had been completed since publication of the report.

It was moved by Councillor Chris Furness, seconded by Councillor Garry Purdy and

RESOLVED That the report be noted.
(unanimously)

182/16 - LAND HOLDINGS REVIEW – PHASE 4

The Committee considered a report on Phase 4 of the Land Holdings Review, which covered 5 sites across the District in which expressions of interest had been received.

Under Section 123 of the Local Government Act, there was a requirement to undertake Public Open Space advertising in any disposal of such land. Should no objections be received, the sales can proceed. However, should any objections be received these must be referred to the relevant Committee for consideration. Four sites in previous phases of this review fell into this category. Three of the sites (Church Walk Wirksworth, Fanny Shaw Public Conveniences and land adjacent to 6 The Avenue Darley Dale) received no comments from the public and these disposals were now progressing through the conveyancing process, and one proposed site disposal previously approved in Phase 1 of the Land Holdings Review (Land adjacent Bakewell Recreation Ground) received two objections and this site was subject to further clarification of its legal status.

An appraisal of each site (including planning, legal and estate management factors) in Phase 4 had taken place and the results and recommendations were summarised in Appendix 1 to the report, together with plans of each site. The Estates and Facilities Manager advised the Committee that since publication of the Agenda he had received an email from a local resident with an offer to purchase part of site 3 (Northcliffe Recreation Ground and land to the east of Northcliffe Recreation Ground). It was therefore proposed that consideration of Site 3 be deferred until a future meeting of this Committee in order for Members to make an informed decision. The Estates and Facilities Manager also advised that he had received correspondence from a Developer's Agent in respect of Site 4 and its proximity to an adjoining site; this was presented to the Committee and it was proposed that the recommendation in respect of Site 4 remained as stated in the Agenda.

It was moved by Councillor Tony Millward BEM, seconded by Councillor Lewis Rose OBE and

- RESOLVED** (unanimously)
1. That the Committee notes the results of Public Open Space (POS) advertising undertaken on four sites recommended for sale as part of previous phases of the Land Holdings Review as outlined in paragraph 1.2 of this report;
 2. That the interested party in respect of site 4 be informed that it is to be retained in the Council's ownership until the acceptable planning use of the neighbouring site has been clarified;
 3. That sites 1, 2, and 5 be disposed of as indicated in Appendix 1 of this report;

4. That consideration of site 3 be deferred until a future meeting of this Committee.

183/16 – CAPITAL EXPENDITURE – HALL LEYS PARK CAFÉ, MATLOCK

The Committee considered a report that outlined additional capital funding required to undertake works arising from the District Council's Property Condition Survey of Hall Leys Park Café and recommended inclusion of these amounts in the revised Capital Programme proposals for 2016/17 to 2019/20 to be considered by Full Council.

The Estates and Facilities Manager advised the Committee of the following amendments to the report:-

- That the wording 'alongside other capital scheme business cases' in Recommendation 3 on page 113 be deleted, as there were none;
- That the date at the bottom of page 113 of the Condition Survey Programme undertaken be amended to read 2014 instead of 2009.

The café in Hall Leys Park was included in the District Council's Condition Survey Programme undertaken in 2009 which suggested that repairs estimated at £30,000 would be required to the property over the current financial year and this sum was included in the Capital Programme. However, during the annual closedown of the Café premises in January this year, further hidden problems were identified affecting the floor structure of the building. Following this, an invasive building survey was undertaken by DCC to determine the amount of repair required, as detailed in the report, resulting in a budget cost of £70,000 inclusive of preliminary works, internal wall removal, a contingency if more than 50% of floor timbers required replacing and fees of 10% for design and specification, procurement and project management to be undertaken by Derbyshire County Council. It was therefore recommended that an additional £40,000 be requested in the 2016/17 Capital Programme to finance these works.

The works were estimated to take approximately six weeks; therefore it was considered that tenders should be sought as soon as possible.

It was moved, as amended, by Councillor Jacquie Stevens, seconded by Councillor Albert Catt and

RESOLVED
(unanimously)

- 1 That the Committee notes the results of the condition survey and the fee proposal presented by DCC;
- 2 That an additional £40,000 is requested in the 2016/17 Capital Programme to finance these works;
- 3 That the business case outlined in this report be referred to Council on 29 September 2016 to be considered for funding and, if approved, capital works identified in Paragraph 1.3 of the report be implemented.

184/16 – COMMUNICATIONS AND MARKETING STRATEGY

The Committee considered a report advising 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 District Council adopted its current Communications and Marketing Strategy in September 2014, and set out a multi-channel approach to reach a wide variety of customers and stakeholders, underlining traditional forms of communication while embracing more modern approaches.

The aims of the Communications and Marketing Strategy were listed in the report, and the Strategy itself was attached as Appendix 1 to the report.

A review of the 2015/16 action plan was detailed in the report, and a new action plan for 2016/17 was set out, with the key issue being the allocation of the £10,000 communications budget set aside annually to improve the reputation of the District Council. The Communications & Marketing Hub, which now included Councillor Pawley as Member Representative, agreed that in the coming year signage was a priority, with other goals listed in the report.

Communications and Marketing Hub Member Representative Councillor Joyce Pawley presented her report on progress to date and future objectives.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Chris Furness, and

- RESOLVED** (unanimously)
1. That the strategic framework of the current Communications and Marketing Strategy is noted.
 2. That the action plan for 2016/2017 is approved.

185/16 – TRANSFORMATION HUB

Councillors Tony Millward and Lewis Rose left the meeting at 7.25pm prior to discussion of this item.

The Committee considered a report on the activities and actions of the Transformation Hub to date, and sought approval for the Transformation Programme 2016-18 along with updated terms of reference for the Transformation Hub.

The Transformation Hub was established in October 2013. The aims and initial scope of the Transformation Hub were set out in the report, together with progress so far. It was noted that the main priority in the immediate future was Electronic Document Management, as detailed in the report.

The Hub Terms of Reference had been recently revised in consultation with the Member Representative (attached as Appendix 1 to the report), as they better reflected the current status and priority of the projects being undertaken, and they were recommended for approval.

It was moved by Councillor Albert Catt, seconded by Councillor Chris Furness and

- RESOLVED** (unanimously)
1. That the activities of the Transformation Hub to date are noted;
 2. That the Terms of Reference for the Transformation Hub are

- agreed;
3. That the Transformation programme 2016-2018 is approved.

186/16 – FUTURE TELECOMMUNICATIONS SERVICE

The Committee were asked to approve a report on the basic principles and features required of a new telecommunications service, and give authority to engage a consultant to design the best solution for the District Council.

The weaknesses of the current system were listed in the report, alongside Derbyshire Dales' best aspects, including the fact that all calls were handled by a 'real person'. Alternatives for a future telecommunications strategy were outlined in the report, and the Corporate Leadership Team (CLT) had recently addressed the issue, with a list of recommended features that formed the basis of a new solution set out in the report. CLT also recommended that all options be explored in terms of a shared service, and to this end the services of a consultant were recommended to advise the District Council on the most cost effective and efficient system. It was therefore recommended that a specification be designed and tenders sought for later approval by the Committee.

It was moved by Councillor Chris Furness, seconded by Councillor Colin Swindell and

RESOLVED
(unanimously)

1. That the features of a new telecommunication platform be agreed as those set out in paragraph 2.2 of the report;
2. That quotations be invited for the services of a consultant to advise the Council on the most cost effective and efficient replacement to the current PABX telephone system and that any cost implications are reported to the Committee for approval.

187/16 – COMPLAINTS MONITORING

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

It was noted that during 2015/16 the District Council received 35 official complaints, compared to 65 in the previous year, with planning matters being the common denominator in all of the complaints received in the past year; this may be incidental to the surge in the number of major planning applications for determination by the Planning Committee and the continued and contentious business of the Local Plan Advisory Committee. This year's mandatory training in Planning and Ethics included elements to help mitigate similar complaints in the future.

No complaints were processed during the period under review regarding the alleged behaviour of town and parish council members.

It was moved by Councillor Albert Catt, seconded by Councillor Sue Burfoot and

RESOLVED
(unanimously)

That the report be noted.

188/16 – MEMBER DEVELOPMENT WORKING GROUP

Councillor Garry Purdy left the meeting at 7.44pm prior to discussion of this item.

The Committee considered a report that set out the Member Development Working Group's recommendations to trial a Community Leadership development day; a deadline for the completion of mandatory training, and a proposal to replace Members' ICT.

The Member Development Working Group's Terms of Reference were set out in the report, together with feedback from training sessions to date. The Group had considered various means by which Members may highlight their particular training needs, and a questionnaire was attached at Appendix 1 to the report to enable the Group to gauge opinion on the type of learning required, which would then form part of the Training and Development plan for the remainder of 2016/17 and 2017/18.

The Group considered potential options to the cost and delivery of Members' ICT, and the preferred option (to replace the older models for new and for the models to be on a Wi-Fi only basis) was outlined in the report, together with the cost implications and projected savings.

The Group also considered a proposal to deliver a one day leadership training programme aimed at exploring individual strengths and potential development needs relative to the Community Leadership role, as defined by the Local Government Association and set out in the report. The Outline structure for the day was attached at Appendix 2 to the report.

The Group planned to meet again to consider the information received from return of the Skills and Knowledge Questionnaire and to conduct a thorough review of the Induction training for new Members.

It was noted that one issue had been raised by way of a complaint from a member of the public, since the Group met. The issue concerned microphone technique so that a person with a hearing impairment could be fully involved in a meeting. The Member Representative had agreed that an internally facilitated refresher could be arranged.

It was moved by Councillor Chris Furness, seconded by Councillor Albert Catt and

RESOLVED
(unanimously)

1. That the review of mandatory training is noted and that 29 September 2016 is agreed as the deadline for Members to attend the mandatory training in Planning and Ethics and for Members of the Planning Committee to continue to sit as a Member of that Committee.
2. That the Skills and Audit Questionnaire set out in Appendix 1 to the report be agreed for circulation to all Members
3. That the concept of Wi-Fi only iPads is agreed as the ICT device for Councillors and that a two year programme of replacement commences in 2016/17 to be funded from the existing budget for network connections.
4. That the Community Leadership programme as set out in the report and at Appendix 2 to the report be approved with the expenditure of £2700 being met from the Member Training Budget

5. That the Member Development Working Group's future business is noted.

189/16 – PROCUREMENT HUB UPDATE AND ACTION PLAN FOR 2016/17

Councillor Irene Ratcliffe left the meeting at 7.50pm during discussion of this item.

The Committee considered an update on the work of the Procurement Hub and work plan for 2016/17.

The Procurement Hub's terms of reference and composition were set out in the report. Councillor John Tibenham had recently been appointed as Member Representative to work alongside the Hub.

A Review of the 2015/16 action plan and the 2016/17 action plan were set out in the report and schedules detailing both were attached as an appendix to the report. It was noted that major savings had been recently achieved in gas and cleaning material purchases, and the 2016/17 work plan included tendering for electricity, staff uniforms and motor parts.

It was moved by Councillor Chris Furness, seconded by Councillor Colin Swindell and

RESOLVED

(unanimously)

1. That the report is noted
2. That the action plan is endorsed and progress reported on an annual basis.

190/16 – RISK MANAGEMENT – CHIEF EXECUTIVE'S ANNUAL REPORT AND RISK MANAGEMENT POLICY AND STRATEGY

The Committee considered a report on the Council's Risk Management arrangements and how Key Strategic Risks were being managed.

The Annual Report, attached as Appendix 1 to the report, set out the Council's risk management processes and working practices, which ensured that risk management arrangements continued to be effective, timely and fit for purpose, providing the Council with the correct levels of insight and support in relation to its risk exposure.

This report also asked Members to approve an updated Risk Management Policy and Strategy, attached as Appendix 2 to the report.

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

RESOLVED

(unanimously)

1. The report be noted.
2. Members approve the Risk Management Policy and Strategy.

MEETING CLOSED – 7.59PM

CHAIRMAN