

**GOVERNANCE, AUDIT AND PERFORMANCE COMMITTEE held at
COMMITTEE ROOM - COUNCIL OFFICES, LONDON ROAD, SAFFRON
WALDEN, ESSEX CB11 4ER, on THURSDAY, 26 JULY 2018 at 7.30 pm**

Present: Councillor E Oliver (Chairman)
Councillors G Barker, J Davey, J Gordon, N Hargreaves,
D Jones, G LeCount, B Light and G Sell

Officers in attendance: D French (Chief Executive),
R Auty (Assistant Director - Corporate Services), S Bronson
(Audit Manager), N Brown (Development Manager), R Dobson
(Democratic and Electoral Services Manager), P Evans (Leisure
and Performance Manager), B Ferguson (Democratic Services
Officer), G Glenday (Assistant Director – Planning), A Howells
(Support and Business Manager), A Knight (Assistant Director –
Resources) and A Webb (Director - Finance and Corporate
Services).

Also Present: Councillors S Howell (Cabinet Member for Finance and
Administration) and H Rolfe (Leader of the Council); M Hodgson
(Executive Director - EY) and M Russell (Audit Manager – EY).

GAP14 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Councillor Jones declared a non-pecuniary interest as a member of the Essex Pension Fund.

GAP15 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 17 May 2018 were received and signed by the Chairman as a correct record.

GAP16 AUDIT RESULTS REPORT 2017-18

Mark Hodgson, Executive Director (EY) summarised the findings of the 2017/18 Audit to the committee.

Two adjustments were highlighted in the 'Audit Differences' section of the report. The first related to the Essex Pension Fund asset value, where EY had identified the actual asset valuation was £111 million greater than estimated; the Actuary reissued the valuation report at the end of May. This was not an error by the council, but a restatement of the valuations by the Actuary and was outside the Council's control. The Council's share of this increase was £1.26million.

The second adjustment related to Aspire and the group accounts, where it had been found that an element of the stamp duty land tax of £1.3 million, was misstated between the CIES and balance sheet.

Members were informed that the way in which the Council calculated depreciation of its dwellings was incorrect, and whilst it was not a problem for this year's accounts, the methodology should be changed for future audits.

In response to a Member question relating to Aspire, the Director – Finance and Corporate Services said a dedicated report would be brought to GAP in September detailing Aspire and its accounts as a standalone entity.

Mr Hodgson thanked the Director – Finance and Corporate Services, the Assistant Director – Resources and the Finance Manager for their help in ensuring a smooth and successful audit.

GAP17 STATEMENT OF ACCOUNTS 2017-18

The committee considered the Statement of Accounts for 2017/18.

In response to a question from Councillor Sell, the Director – Finance and Corporate Services said the £15,000 figure allocated to economic development was only one source of funding and further resources were available as it was part of the Council's wider economic strategy.

Councillor Rolfe said the Council's economic development strategy had been agreed by Cabinet and the strategy could be circulated to all Members.

Councillor LeCount asked why the cost of officer remuneration had increased in the past year.

The Chief Executive said the Council had approved the increase as part of the budget in February. The increase was to address a discrepancy of under payment to Assistant Directors and the cost would be a one off.

RESOLVED to:

- a) Approve the Letter of Representation attached to the report as Appendix A.
- b) Approve the audited 2017/18 Statement of Accounts as presented with the report.

The Chairman said this was the last year the accounts would be audited by EY and he thanked them for all of their work in the past years.

The accounts were signed and Mr Hodgson and Mr Russell left the meeting.

GAP18 INTERNAL AUDIT ANNUAL REPORT AND OPINION 2017/18

The Audit Manager reported on the work undertaken by Internal Audit during 2017/18 and provided an opinion on the Council's control environment.

In response to a Member question, the Audit Manager said the recommendations made in audit reports were followed up and monitored to ensure implementation was achieved, as per the continuing audit of Street Services.

Responding to a question relating to the Leisure - PFI, the Director – Finance and Corporate Services said a report on the subject would be coming to GAP in September.

Councillor Sell asked whether the lack of resources available to the Audit team was having an impact on the team's capability to take on necessary work.

The Audit Manager said the team were managing but she was looking at bringing in officers from other Local Authorities to assist with the workload.

The Committee noted the content of the report.

GAP19 GENERAL DATA PROTECTION REGULATION (GDPR) COMPLIANCE PROGRESS REPORT

The Audit Manager provided an update on the GDPR compliance project, following the introduction of the regulation on 25 May 2018. She said the project was in place and the team was finalising work that had been ongoing since the project began.

Members were told the GDPR Project Team had agreed to continue to meet for the next six months but had revised the composition of the team, as only Senior Managers from service areas that processed the highest volume of personal data would now attend.

The Audit Manager said the Council was in a good position to deal with Data Subject Access requests, although it had only received one since GDPR was brought into force. However, seven minor data breaches had occurred which had created a large amount of work for the team.

Councillor Light requested that the GDPR e-module be resent to all Members.

The Chief Executive thanked the Audit Manager and her team for their hard work and for putting the Council in a strong position to deal with GDPR.

The Committee noted the content of the report.

GAP20 COMMUNITY GOVERNANCE REVIEW 2018

The Democratic and Electoral Services Manager presented the report on the Community Governance Review for 2018. She said there was a need to progress a review of parish boundaries and electoral arrangements in relation to the parishes of Little Easton and the Dunmow North ward of great Dunmow; and to deal with the request in relation to the electoral arrangements in Aythorpe

Roding. The Council, as principal authority, had a duty to ensure that community governance for these areas under review reflected the identities and interests of the local community, and that community governance was effective and convenient.

Members considered the report and there was agreement with the recommended terms of reference and timetable of the review.

RESOLVED to approve the terms of reference and timetable of a limited community governance review as set out in Appendices 1 and 2, including scheduling of an extraordinary meeting of the committee to enable the review to be concluded before publication of the revised register of electors.

GAP21 **PLANNING PEER REVIEW ACTION PLAN**

The Assistant Director – Planning informed Members that in February 2018 the Planning Service underwent a peer review carried out by consultants from The Planning Officer's Society. To implement the recommendations of the review an action plan had been produced, covering areas such as performance, which sought the Committee's approval. He said the plan was a working document and he welcomed comments from Members.

Councillor Sell asked whether the recommendations and content of the peer review were accepted by staff working in the Planning Service.

The Development Manager said the Service itself had invited the peer review and the team had embraced the process. The conclusion of the peer review had met expectations and there had been no surprise findings.

Councillor Hargreaves highlighted the peer review recommendation to restrict public speaking at Committee meetings.

The Development Manager said there were no plans to review speaking arrangements and not every recommendation outlined in the review would be implemented.

Councillor Hargreaves said the consultation undertaken during the review was limited as no 'end users' of the Planning Service had been consulted.

Members and Officers discussed the use of technology and the concept of 'smarter working' practices that could be implemented to improve the Service, such as a better website to encourage 'self-help' and to reduce the burden on the Duty Officer; streamlining the report writing process; and efficient enforcement practice.

Councillor Howell said the review was for Members as well as officers and he highlighted the number of major applications that had been refused by the Planning Committee only for the decision to be overturned at appeal.

The Development Manager echoed the concerns raised by Cllr Howell. He highlighted the risk and consequences of designation from a significant proportion of all major applications resulting in allowed appeals. He said it only took a few overturned applications leading to allowed appeals for designation to occur.

RESOLVED to approve the Planning Service Action Plan summary, as appended to this report.

GAP22 **QUARTER 1 KPI AND PI PERFORMANCE REPORT**

The Leisure and Performance Manager presented outturn data for all KPIs and PIs for Quarter 1 (1 April – 30 June) for 2018/19. She said the overall picture was positive and the majority of indicators had met their specific targets.

The following KPI was discussed by Members:

KPI 08 - Average re-let time in days (General Needs only)

Councillor Jones highlighted KPI 08 and asked why this indicator had not been hitting its target for some time. He said the Council could consider selling 'hard to let' properties on the open market and use the revenue to procure more suitable properties for the Council's housing stock. He also asked whether the situation with the asbestos contractor had exacerbated the problem.

The Leisure and Performance Manager said the asbestos contractor had been changed recently and the Council were in talks with the new provider to improve timings. In regard to 'hard to let' properties, people had a choice to decline when offered a property and this had inevitably resulted in properties deemed as undesirable taking longer to re-let.

The Leisure and Performance Manager said a report could be brought to a future Committee meeting to provide information on the issue of re-letting Council properties.

The Chairman said he would welcome a report on the subject.

The meeting ended at 9.20pm.