

**GOVERNANCE, AUDIT AND PERFORMANCE COMMITTEE held at ZOOM on THURSDAY, 4 FEBRUARY 2021 at 7.00 pm**

Present: Councillor E Oliver (Chair)  
Councillors S Barker, G Driscoll (Vice-Chair), M Foley, V Isham, R Jones, A Khan, S Luck and J De Vries

Officers in attendance: R Auty (Assistant Director - Corporate Services), E Brooks (Internal Audit Manager), P Evans (Customer Services and Performance Manager), B Ferguson (Democratic Services Manager), C Gibson (Democratic Services Officer), O Knight (PFI and Performance Officer), R Millership (Assistant Director - Housing, Health and Communities), J Reynolds (Lawyer) and A Webb (Director – Finance and Corporate Services).

**GAP27 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

There were no apologies for absence.

The Chair welcomed Councillor Barker and the new Internal Audit Manager to the meeting.

**GAP28 MINUTES OF THE PREVIOUS MEETING**

Councillor Khan referred to possible omissions from the minutes in respect of Agenda Item GAP25 Armed Forces Covenant Trust Grant in respect of Debden Village Hall, Page 7, Paragraph 6 as to what the Chief Executive had reported. He said that this matter had been raised with him by a resident. The Democratic Services Manager said that this matter would be taken away, reviewed and amended if appropriate.

In response to a question from Councillor Barker, the Director – Finance and Corporate Services confirmed that the Aspire (CRP) Limited accounts were not due for filing until March 2021 and that they were currently being audited.

The minutes of the meeting held on 30 November 2020 were approved, subject to clarification on the matter raised by Councillor Khan.

**GAP29 INTERNAL AUDIT INTERIM REPORT 2020/21**

The Internal Audit Manager introduced herself and outlined the new internal audit arrangements in place. She said that she was working 18 hours per week for the Council and was also working for Chelmsford City Council.

She gave a summary of the report, which detailed the work that Internal Audit had undertaken between April and December 2020 and set out the planned work to the end of March 2021. She said that changes had been made to the revised

audit plan in order to focus more on the higher risks to the Council and she confirmed that Internal Audit was on track to complete the revised plan by the end of March 2021. She reported that five reports had been completed and that a further ten reports remained to complete. She referred Members to Paragraph 7.4 of her report which detailed the deferrals and cancellations.

Councillor Khan welcomed the clear report.

The Chair noted the contents of the report.

*Councillor De Vries joined the meeting at 7.15 pm and Councillor Gregory joined the meeting at 7.19 pm.*

## GAP30 **2021-22 ANNUAL INTERNAL AUDIT PLAN & CHARTER**

The Internal Audit Manager gave a summary of the report, which detailed the draft Annual Internal Audit Plan for 2021/22 and the Internal Audit Charter.

She said that the plan was based on a prioritisation of the audit universe using a risk-based methodology; it was focussed on the highest priorities and risks and was intended to add value. There was a heavy focus on cross-cutting reviews as that was where the most risk existed. She said that there was some contingency built into the plan.

The Internal Audit Manager also presented the Internal Audit Charter that was a standard document and a key requirement of compliance.

The Chair referred to the reference in the Charter to the GAP Committee.

In response to a question from Councillor Luck, the Internal Audit Manager said that in moving forward there was no real change in approach but that she was looking to add value.

Councillor Khan said that it was a clear report but that he would like some audit input into the area of contract management relating to grants.

The Internal Audit Manager confirmed that there had been no time allocated in the plan to this area.

Members referred to the earlier discussion about the Armed Forces Covenant Trust Grant in respect of Debden Village Hall. Some views were expressed that this matter should be examined by Internal Audit or referred to Scrutiny Committee. Councillors Driscoll raised a point of order and said that he believed that this matter had already been mentioned and brought up at a Scrutiny Committee meeting. Councillor Foley said that he understood that Scrutiny had brought this matter up but without resolution.

Members supported a review of the system, an understanding as to what had gone wrong in the process as well as lessons to be learned.

The Internal Audit Manager said that she could undertake a review of the Council's Grants Policy and processes, taking on board the grant in respect of Debden Village Hall.

The Chair asked that Internal Audit looked at this matter quickly and brought it back to GAP Committee.

Members noted the contents of the report and approved the draft Internal Audit Plan for 2021/22 and Internal Audit Charter.

#### **GAP31 COVID-19 PERFORMANCE INDICATOR REPORT 5**

The PFI and Performance Officer gave a summary of the report, which presented the outturn data for all COVID-19 performance indicators for the period 2 November 2020 to 3 January 2021. He said that overall, data outturns highlighted that services were continuing to perform well despite the current circumstances. He referred Members to the summary provided in Paragraph 19 of the report that included new indicators such as CV 48 "the number of Test and Trace Support payments".

In response to a question about the percentage change in penalty charge notices from Councillor Jones, the PFI and Performance Officer said that there had not been as much enforcement at the start of the pandemic.

Councillor Luck confirmed that parking machines had been covered up and monies not collected

Councillor Barker said that there was no KPI for rent received from commercial tenants.

The PFI and Performance Officer confirmed that this was correct and that he could take this away for consideration. The Chair confirmed that this should be considered.

The Chair noted the performance of services during the COVID- 19 pandemic, as attached in Appendix 1.

#### **GAP32 PFI CONTRACT UPDATE 2020/21**

The Chair referred to questions that he had received from members of the Saffron Walden Squash Club that afternoon and said that he would refer them to officers to respond in writing.

The Customer Services and Performance Manager gave a summary of the report that provided an annual update on the Uttlesford Leisure PFI contract for the 2020/21 financial year. She said that the main focus related to how the contract had been managed during the COVID- 19 pandemic, risk assessments had been reviewed collaboratively by all PFI project parties and the Council had been in regular contact with 1Life. She said that the Council had waived the

monthly operator fee of approximately £14,500 per month up until the end of March 2021. She referred to Paragraphs 24 to 28 that provided some assurances on the way forward in these uncertain times.

The Chair asked what would happen if the sub-contractor became insolvent.

The Customer Services and Performance Manager said that in the first instance the Project Company (Linteum Uttlesford Limited) would be responsible for procuring another operator.

Councillor Driscoll was advised by the PFI and Performance Officer that the contract had started in May 2002 and ran until August 2035 with no break clause.

The Chair received the report.

### **GAP33 GRANT ALLOCATION POLICY (SPORTS PROVISION - MAJOR PROJECTS)**

The Assistant Director – Housing, Health and Communities gave a summary of the report, which detailed the Grant Allocation Policy (Sports Provision – Major Projects) for approval and adoption.

Councillor Barker said that she would have expected the responsible Cabinet Member to have presented the item.

Various Members commented on the proposed Grant Allocation Policy that was due to be submitted to Cabinet on 9 February 2021. The main points were as follows:

- The Committee believed the requirement for grants to be “fully spent within the year for which they are allocated” was unrealistic, given the likely size of some of these projects. If the intention was that recipients will be allowed to roll forward their grant into the following year, this did need to be explicitly stated in the policy.
- The Policy stipulated that a recipient cannot have received a grant from the Council for the same project. Did this include grants given by Councillors under the Ward Member Initiative Grant scheme?
- Could the same organisation apply in subsequent years or would there be restrictions on this – for example only every other year or once every three years? If there was to be a restriction on how frequently a club could apply, this needed to be stated in the policy.
- Could a line be added to the policy stating that all grants are awarded by the Council “in good faith” to cover the Council for any unseen eventuality?

Some members of the committee expressed disquiet that they were being asked to recommend approval of the policy when it was clear that it had already been decided who was to receive the first grant. The point was made that the Council would be launching a grant scheme and could potentially have between 15 and 20 clubs making applications for it when it has already been decided who was to receive it. Members were concerned at the apparent lack of transparency.

The Director - Finance and Corporate Services said that the matter had been brought to the Committee for governance reasons in that any comments made would be forwarded onto Cabinet. He said that this was an opportunity for extra controls to be added in and said that a paper would be taken to Cabinet that presented views expressed by the Committee. He said that no decision was being taken relating to allocating and spending grant monies but that the decision from the Committee was in respect of procedures and policies.

The Assistant Director - Housing Health and Communities said that smaller grants would fall under different criteria. She said that the document could be considered to be a living document that could be periodically reviewed. She also confirmed that the policy in respect of terms and conditions would have input from legal officers.

The Chair said that he would take a paper forward to Cabinet that outlined the views of the Committee.

Councillor Barker said that she would be abstaining from voting on the recommendation on the basis that she considered that the grant recipient had already been agreed.

A roll call vote was taken that the Grant Allocation Policy (Sports Provision – Major Projects) be recommended to Cabinet for approval, together with a paper being taken to Cabinet outlining the Committee's views on making improvements to the policy.

RESOLVED that the Grant Allocation Policy (Sports Provision – Major Projects) be recommended to Cabinet for approval, together with a paper being taken to Cabinet outlining the Committee's views on making improvements to the policy.

#### **GAP34 COUNCIL PROCEDURE RULES: TIME PERMITTED FOR QUESTIONS TO THE EXECUTIVE AND COMMITTEE CHAIRS**

The Chair summarised the recommendations detailed in Paragraphs 4 and 5 of the report which was to consider whether there was a need to amend Rule 2.4 (Section 2, Part 4 – Rule 2.4) relating to the time permitted for questions to the executive and committee chairs and to look at two possible options for taking this forward either through a recommendation to extend permitted time for questions to 30 minutes or by establishing a Task and Finish Group to review the time permitted.

The Democratic Services Manager said that there were currently ten Cabinet Members and this was one of the reasons for possibly extending time limits for questions.

Members debated:

- the merits of extending the time permitted for questions
- the possibility of extending the time on a trial basis
- the need to be more efficient

- the possibility of questions being provided in writing ahead of meetings with supplementary questions being taken at the meetings.
- The discretion of Chairs to extend the fifteen minute rule
- Concerns that time was sometimes being taken up with too many questions on the same subject
- the merits of Task and Finish Groups
- the possibility of a wider remit to consider such matters as the Constitution and Members being able to speak more than once in a debate
- the possibility of looking at how other Councils work, with Essex County Council being given as an example.

The Chair considered that the preferred option amongst Members was that Members were minded to amend Rule 2.4 and that a Task and Finish Group should be established.

Councillors Driscoll, Isham, Jones and Khan agreed to sit on the Task and Finish Group and Councillor Barker agreed to act as an adviser.

The Committee agreed to establish a Task and Finish Group in order to carry out a review of Rule 2.4 "time permitted for questions to the executive and committee chairs". The Task and Finish Group's recommendations would be brought back to the Committee for endorsement and comment.

*The meeting closed at 8.50 pm.*