

**GOVERNANCE, AUDIT AND PERFORMANCE COMMITTEE held at
COMMITTEE ROOM - COUNCIL OFFICES, LONDON ROAD, SAFFRON
WALDEN, ESSEX CB11 4ER, on THURSDAY, 30 MAY 2019 at 7.30 pm**

Present: Councillor E Oliver (Chair)
Councillors A Dean, N Hargreaves, V Isham, P Lees, L Pepper,
G Sell (as Substitute) and M Sutton
Also Present: Councillors S Barker and C Criscione

Officers in attendance: R Auty (Assistant Director - Corporate Services), S Bronson (Audit Manager), P Evans (Customer Services and Performance Manager), A Mawson (Democratic Services Officer) and A Webb (Director - Finance and Corporate Services)

GAP1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Armstrong, Bagnall, Khan and Light.

Councillor Dean spoke about the membership of the committee and said that it was inappropriate that there were five members of the Cabinet on the committee. He said this was a conflict of interests and wanted to know how it was to be addressed.

Councillor Hargreaves advised that the five members would be replaced on the committee and that this had been a genuine oversight. There was nothing that would indicate this was inappropriate in the Constitution but agreed that the Chartered Institute of Public Finance and Accountancy (CIPFA) guidelines were clear.

GAP2 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 7 February 2019 were signed and approved as a correct record.

GAP3 EXTERNAL AUDIT (BDO LLP) VERBAL UPDATE

Mr Eagles delivered a verbal update on the Audit Plan; he said that BDO was ready to start when the accounts were produced, and advised that they were on track for the completion report to be delivered to the committee at the end of July.

The Director of Finance and Corporate Services advised the committee the draft accounts had been published on 29 May 2019, ahead of the 31 May 2019 deadline.

The Chair offered congratulations to staff for their hard work in meeting the deadline.

GAP4 DRAFT ANNUAL GOVERNANCE STATEMENT 2018-19

The Audit Manager introduced the Draft Annual Governance Statement 2018-19 and advised that it was a live draft document subject to changes, and looks back over the year 2018-19. The final document would be submitted with the final accounts in July as well as being sent to the external auditors.

Councillor Dean drew the committee's attention to a number of points which referred to the role of the committee being a robust challenge to the Cabinet (3.9), changing the wording in 3.10 to reflect the role of the committee in the same manner in which the Scrutiny Committee was referred to in point 3.9. He referred to key recommendations made by the last committee in establishing a Memorandum of Understanding between the executive and scrutiny (3.19) and requested that sight was not lost of the recommendations of a review into the council's scrutiny practices by the Centre for Public Scrutiny..

Councillor Dean also referred to the Implementation of Recommendations from the Ombudsman (p12) in relation to complaints, citing that there had been a number of Freedom of Information Act requests which had got lost, and that there must now be a robust method of tracking.

The Assistant Director of Corporate Services advised that an authority has to have a scrutiny committee in place where they are running a cabinet system, which is stipulated in the Local Government Act. This committee was not designated a scrutiny committee in terms of the constitution. The Memorandum of Understanding was going as part of a report to the first meeting of the Scrutiny Committee.

Councillor Sell spoke about the size of the Cabinet that had been appointed in relation to other authorities and that he shared the aspiration to move to a committee system.

Councillor Sell said that he was concerned that when this Committee met again in a year's time to look at the Audit Manager's statement, it could be unequivocally said that the committee had good governance.

Councillor Sell said that he specifically wanted to bring to the attention of the Committee that Uttlesford had gone up to the maximum sized cabinet, that the Special Responsibility Allowance payments had been changed and that there was a lack of transparency about this course of action by the administration. He said that he didn't know what the SRAs were going to be, and that was a point that should have been referred to the Independent Remuneration Panel.

The Chair put the recommendation to the committee that the Members approve the draft Annual Governance Statement.

The Committee voted in favour unanimously.

RESOLVED that the draft Annual Governance Statements was approved.

GAP5 INTERNAL AUDIT PROGRESS REPORT 01 FEBRUARY TO 30 APRIL 2019

The Audit Manager presented the Internal Audit Progress Report, 1 February to 30 April 2019, and made mention of the following points;

There had been an extension to the work on the Internal Audit Work Programme 2018/19 into the new financial year, completion was predicted by 30 June 2019, which would be included in the July 2019 GAP committee meeting. This had been due to a stretch on resources which had been addressed.

The Chair stated that the report had been noted as per the recommendation.

GAP6 DRAFT INTERNAL AUDIT WORK PROGRAMME 2019-20

The Audit Manager delivered the Draft Internal Audit Work Programme 2019 – 20 to the committee.

In response to a Member question relating to Item 41 in the table on page 37 of the agenda pack, the Director of Finance and Corporate Services clarified that in line with the Constitution (Part 6, Page 5, Paragraph 4) “a councillor may elect to forgo any part of his or her entitlement to an allowance under the scheme by giving notice in writing to the Chief Executive”. He advised that it was stated at Full Council that the cabinet would forgo 45% of their allowance to enable the expansion of the cabinet to ten and that in comparison to the previous administration there was a saving of £546.15

Councillor Sell recommended that the Independent Remuneration Panel (IRP) be advised of the changes as a matter of courtesy.

The members discussed the merits of informing the IRP prior to the decision being made. The Director of Finance and Corporate Services stated that as this course of action was prescribed as part of the Constitution, there was no requirement to consult with the IRP. However as a matter of courtesy it was agreed that they would inform the panel.

The Chair noted the report as per the recommendation.

GAP7 CYBER SECURITY UPDATE

The Assistant Director of ICT and Facilities delivered the Cyber Security Update which was noted by the committee.

The committee discussed the appointment of the Lead Member responsible for oversight of cyber security but it was decided to postpone this appointment until the next meeting when the membership of the committee would be resolved.

Action: Appoint a member of the Committee as the Lead Member responsible for oversight of cyber security.

GAP8 PROCUREMENT UPDATE - OCTOBER 2018 - MARCH 2019

The Assistant Director of Resources delivered the Bi-Annual Procurement Update which was noted as per the recommendation by the Committee.

GAP9 Q4 2018/19 & YEAR END 2018/19 KPI & PI REPORT

The PFI & Performance Officer and the Customer Services and Performance Manager delivered the Quarter 4 2018/19 & Year End 2018/19 Performance indicator report to the Committee.

Councillor Dean offered his congratulations to Housing Benefit and Council Tax Benefits (KPI 04, 06a and 06b), as well as noting the positive sickness figures (KPI 07a and b).

In response to a Member question, the Assistant Director of Corporate Services advised that the Museum's visitor's targets were already set at a challenging level and that the Museum would be changing the way in which the figures were reported to ensure the full range of Museum services, including outreach work, were considered..

The committee discussed the Planning: Development Management KPIs as there had been some changes in resources in the department. Councillor Dean asked that the committee keep an eye on the KPIs in this area to ensure that the changes resulted in improvements.

GAP10 2019/20 PERFORMANCE INDICATOR TARGET SETTING

The PFI & Performance Officer and the Customer Services and Performance Manager delivered the 2019/2020 Performance Indicator Targets Report to the Committee.

In response to a request from Councillor Hargreaves it was agreed to look at the wording for the new planning KPIs.

In accordance with the recommendation the committee approved the proposed targets for 2019/2020.

The Chair offered thanks to those who would not be returning to the committee.

Meeting Closed 8:45pm