

GOVERNANCE, AUDIT AND PERFORMANCE COMMITTEE held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on MONDAY, 22 NOVEMBER 2021 at 7.00 pm

Present: Councillor E Oliver (Chair)
Councillors H Asker, G Driscoll (Vice-Chair), J Emanuel, M Foley, A Khan, B Light, S Luck and J De Vries

Officers in attendance: P Holt (Chief Executive), 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), P Hardy (Electoral Services Manager), A Knight (Assistant Director - Resources), W Lancaster (Internal Auditor) and A Webb (Director - Finance and Corporate Services)

GAP23 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were given by Councillors Foley for lateness.

Councillors De Vries, Asker and Light declared an interest in Agenda Item 5 as members of Saffron Walden Town Council.

GAP24 MINUTES OF THE PREVIOUS MEETING

Councillor Light asked for an update in respect of the credit rating provided by Moodys. The Director – Finance and Corporate Services indicated that this had yet to be provided.

The minutes of the meeting held on 28 September 2021 were approved as correct.

GAP25 PUBLIC SECTOR AUDITOR APPOINTMENT 2023/24 - 2027/28

The Chair introduced the item and explained the background to the report.

In response to various questions the Assistant Director – Resources explained the two available options for the procurement of the external auditor appointment and that these arrangements had been in place since the abolition of the Audit Commission. She outlined the reasons for the recommendation.

RESOLVED that GAP Committee:

- Recommend to Council that it 'opts in' to the appointing person arrangements made by Public Sector Appointments (PSAA) for the appointment of external auditors.

GAP26 **GRANTS GOVERNANCE UPDATE**

The Audit Manager gave a summary of the report that provided a service update on the progress being made against the recommendations reported to GAP in June 2021. She said that she had been liaising frequently with the Communities Manager and the Community Development Officer, but that not enough time had elapsed for a formal Internal Audit follow-up. She said that a new Grants Policy was being developed to improve the control framework and that once in place, Internal Audit would undertake follow-up works.

The report was noted.

GAP27 **COMMUNITY GOVERNANCE REVIEW 2021 - RESULTS FROM FINAL CONSULTATIONS**

The Electoral Services Manager gave a summary of the report that incorporated the final feedback on the proposals from the initial consultation. He explained that the Council did not have the power to change district ward, county electoral division boundaries, or electoral arrangements for these administrative levels. However, if an Order was made by the Council to alter the parish ward boundary, then the Local Government Boundary Commission for England would consider making an alteration to the district wards and county divisions affected.

Councillor Foley joined the meeting at 7.24 pm.

Discussions focussed on the recommendations made relating to Saffron Walden Town Council.

RESOLVED that GAP Committee approves the recommendations as set out in Appendix A of the report.

GAP28 **REVIEW OF PILOT SCHEME RULE 2.4: TIME PERMITTED FOR QUESTIONS TO THE EXECUTIVE AND COMMITTEE CHAIRS**

Councillor Driscoll, as Chair of the Task and Finish Group gave a summary of the report that included a report back from the Task and Finish Group that had met on 8 November 2021. He thanked Councillors Emanuel and Khan for their input.

Within the recommendation, Members discussed the issue of whether 5 or 10 working days would be a reasonable period of time to provide written answers after the meeting. Most Members concluded that the preference would be for 5 days, wherever possible.

Councillor Light dissented from this view and spoke against the recommendation; she said that she felt that public debate was being stifled, there was a lack of accountability and that it was a travesty of democracy.

RESOLVED that GAP Committee recommends to Council that the Constitution be amended in regard to Rule 2.4 of the Council Procedure Rules and the associated protocol as set out in Appendix A to the report, and that written answers be provided after the meeting within 5 working days wherever possible.

GAP29 **QUARTER 2 2021/22 PERFORMANCE INDICATOR REPORT**

The Customer Services and Performance Manager gave a summary of the report, which presented the Quarter 2 2021/22 outturn and data analysis for all Key Performance Indicators (KPI's) and Performance Indicators (PI's). She apologised for the absence of the PFI and Performance Officer.

She drew Members' attention to paragraph 17 of the report that detailed the six KPI's that had exceeded the 10% performance threshold and had a 'red' status.

The Chief Executive provided an overview of PI's and said that moving forward he would be looking for more comparison with similar local authorities and a more selective focus on specific PI's. He said the intention would be to focus on 3 to 5 indicators in the first instance; the concern being that too much detail was being provided with too little deep analysis.

Members generally supported the Chief Executive's proposed way forward, particularly looking for comparisons with similar local authorities.

In response to various questions the Customer Services and Performance Manager and the Assistant Director – Resources:

- Clarified that in relation to KPI 06 (Time taken to process Housing Benefit/ Council Tax Benefit) being 'red', there had been some staff turnover and additional administration needs due to track and trace commitments. Members asked for some comparisons across the east of England.
- Provided an explanation for PI 02 (Average time to pay supplier invoices) being red and agreed to provide further details. The importance of cashflow was stressed.
- Agreed to provide further details in respect of information relating to temporary accommodation and bed & breakfast accommodation when looking at KPI 08 (Average re-let time in days) and PI 16 (Number of households living in temporary accommodation).
- Agreed to provide further information in respect of KPI 05 (Percentage of Council Tax collected) as to whether this was a significant issue and how many residents were in arrears. It was stated that there was a fully supported programme available for those in debt.
- Agreed to provide further information on PI 07 (level of achievement attained under the Equality Framework for Local Government) when compared to neighbouring local authorities.

Key areas mentioned by Members relating to Performance Indicators included productivity and customer services.

Councillor Khan referred again to his three major current concerns as being housing, employment and debt levels. He also sought clarification on the differences between key Government targets and local targets.

The Chief Executive said that he would be looking to bring something back to GAP in respect of qualitative issues such as productivity or poverty.

Members noted the Quarter 2 2021/22 Performance Indicator report.

GAP30 **2021/22 CORPORATE RISK REGISTER UPDATE - BORROWING & INVESTMENTS**

The Director – Finance and Corporate Services gave a summary of the report, that advised Members of a new risk in the 2021/22 Corporate Risk Register relating to borrowing and Investments.

In response to various questions the Director – Finance and Corporate Services said that:

- Proper process had been followed both in respect of QC opinion and in discussions with CIPFA.
- References had been made to 2023/24 as this was the first full portfolio year of rental income. He said that he could provide anticipated figures for the current year and 2022/23.
- CIPFA's position was that Councils should not make commercial investments 'purely for yield'.
- Risks had been assessed if assets had to be sold and staff were currently working through various modelling scenarios.
- In the event of the Council being forced to sell assets, the Council would make a sizeable profit.

RESOLVED that Members note the inclusion of a new risk relating to Borrowing and Investment (**21-CR-12**) in the 2021/22 Corporate Risk Register.

GAP31 **EXCLUSION OF PUBLIC AND PRESS**

AGREED that the public and press be excluded due to consideration of items containing exempt information within the meaning of Section 1001 and paragraph 3 part 1, Schedule 12A of the Local Government Act 1972, in respect of information relating to the financial or business affairs of any particular person (including the authority holding that information).

GAP32 **INTERNAL AUDIT REPORT - UDC GOVERNANCE ARRANGEMENTS WITH UNSL**

The Audit Manager gave a summary of the report, which presented a review of UDC's internal governance arrangements with Uttlesford Norse Services Limited (UNSL).

GAP33 UDC INTERNAL GOVERNANCE ARRANGEMENTS WITH UNSL - UDC MANAGEMENT TREATMENT RESPONSE PLAN

The Chief Executive gave a summary of the report, which provided a Treatment Response Plan to address issues identified by the Internal Audit review of UDC's Internal Governance Arrangements with UNSL. He also tabled an additional document that further addressed compliance assurance requirements.

Members discussed the reports.

The Chief Executive gave an indication of timescales and said that he intended to report back to the next GAP meeting.

The Chair thanked the Internal Audit team for their report. He noted the report and that there would be a follow-up report brought to the next meeting.

The meeting closed at 8.52 pm.