

**GOVERNANCE, AUDIT AND PERFORMANCE COMMITTEE held in the COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN at 7.30pm on 08 FEBRUARY 2018**

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

Officers in attendance:  
R Auty (Assistant Director - Corporate Services), S Bronson (Audit Manager), B Ferguson (Democratic Services Officer), S Pugh (Assistant Director – Governance and Legal Services), C Saych (Benefit Manager) and A Webb (Director – Finance and Corporate Services).

Also Present: Mark Hodgson (Executive Director – Ernst & Young), Councillor S Howell (Cabinet Member for Finance and Administration) and Councillor H Rolfe (Leader of the Council).

**GAP30 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillor Foley.

**GAP31 MINUTES**

The minutes of the meeting held on 16 November 2017 were signed and approved as a correct record subject to the following amendment:

Minute GAP24 – second paragraph, second sentence to be removed.

Councillor Hargreaves said the net spend on the Local Plan was £810,000. *The Director - Finance and Corporate Services agreed but said recharges had to be taken into account.*

**GAP32 AUDIT PLAN**

Mr Hodgson, Executive Director – EY, presented his Audit Planning report, which provided Members the opportunity to review EY's proposed audit approach for the 2017/18 audit.

Mr Hodgson said a new risk had been identified in the audit plan relating to the preparation of group accounts, as this would be the first year the Council's accounts would not be audited as a single entity. He said additional work would be done on scoping the group audit and updates to the Committee would be provided as required.

In response to a Member question, the Director – Finance and Corporate Services said this would be EY's final audit and a new company would be

auditing the Aspire account this year, and all of the Council's accounts in the next financial year. He said it was logical if all of the Council's accounts were audited by the same company but this year circumstance dictated it would be carried out by two separate auditors.

GAP33

### **BENEFIT SUBSIDY AUDIT**

*The Assistant Director – Corporate Services entered the meeting at 7.45pm.*

The Benefit Manager presented her report on the benefit subsidy audit for 2016-17, summarising EY's audit of the Housing Benefit Subsidy Claim.

The Benefit Manager said the audit had been very positive with an increased subsidy income in excess of £25,000 over previous years being achieved. This was due to the benefit team's accuracy of processing claims, where even small overpayments could result in large extrapolated values.

In response to a question from the Chairman, the Benefit Manager said the subsidy system was complex and Local Authorities would either receive reduced subsidy payments, or none at all, if overpayments to claimants were made above certain thresholds (0.48% and 0.54%). In the past, the Council had a high rate of overpayments and therefore had lost out on the subsidy. She said the benefit team's proactive work had significantly cut overpayments and resulted in an income increase of £25,887 through the subsidy system

Responding to a Member question, the Benefit Manager said a fixed term Benefit Officer had been employed to provide quality control and ensure overpayments were not being made. In addition, bi-monthly training for the benefit team had been implemented. She said the root cause of these mistakes was human error, and whilst these mistakes could not be completely eradicated, the quality control in place did mitigate their impact.

The Chairman congratulated the benefit team and thanked them for their hard work.

GAP34

### **HEALTH AND SAFETY UPDATE**

The Assistant Director – Corporate Services updated Members on Health and Safety issues relating to the Council.

The Chairman highlighted the rise in aggressive incidents towards UDC staff and asked if there was an explanation for this.

The Assistant Director – Corporate Services said the majority of incidents related to one individual who would be facing a criminal court hearing in February 2018. He said the rise could also be attributed to staff being more aware of the need to report aggressive behaviour.

Councillor Jones wanted it noted that the 2016 graph presented in Appendix A was misleading as the scale differed on the Y axis in comparison to the scales used for the 2015 and 2017 graphs.

**GAP35 INTERNAL AUDIT PROGRESS REPORT – 04 NOVEMBER TO 26 JANUARY**

The Audit Manager presented her report, updating members on the internal audit work that had been carried out since November 2017.

In response to a Member question, the Audit Manager said 'substantial' was the terminology used to describe the best/safest risk level an audit could achieve.

**GAP36 GENERAL DATA PROTECTION REGULATION (GDPR) COMPLIANCE PROGRESS**

The Audit Manager, in her capacity as the GDPR Project Lead Officer, presented her report concerning the Council's compliance with GDPR, which would come into force on 25 May 2018.

The Audit Manager said all services deemed at high risk of breaching GDPR had already been reviewed, and medium and lower risk services were currently being reviewed. In addition, all of the Council's suppliers were being scrutinised to ensure they too were compliant. She said GDPR awareness programmes were being rolled out and presentations had been given at service team meetings.

In response to a Member question relating to the retention of documents/emails, the Audit Manager said the average time a document was required to be retained was 6.8 years. Work was being done to ensure documents that were no longer needed were disposed of. She said the overall principle of the project was to retain the minimal amount of data for the minimal amount of time.

Councillor Jones said he was wary that the Council was becoming dependant on the Audit Manager as a key worker of the project.

The Director – Finance and Corporate Services said a GDPR Compliance Officer had been employed by the Council to assist the Audit Manager throughout this project. He added this was a difficult task for all Local Authorities but UDC had put measures in place and were prepared to deal with the new regulation.

**GAP37 INTERNAL AUDIT COUNTER FRAUD AND CORRUPTION WORK**

The Internal Audit Manager presented the report detailing the findings of the counter fraud and corruption work implemented by the Council. She said two risk assessments had been undertaken: a Fraud Risk Assessment and a Bribery

Risk Assessment. It had been concluded that the Council had an acceptable level of risk and had demonstrated an increased level of fraud awareness and prevention during 2017.

In response to a Member question, the Audit Manager confirmed that the counter fraud work mentioned in the report had assessed the work of Council staff rather than Councillors.

GAP38

### **ELECTION OF THE CHAIRMAN AND VICE-CHAIRMAN**

The Assistant Director – Governance and Legal Services presented the report recommending a change to the procedure in electing the Chairman and Vice-Chairman at Annual Council. He said nominations were made at the meeting preceding Annual Council, but this could lead to problems especially every four years when there was a full Council election. He recommended that the Constitution was changed to provide for nominations for the posts of Chairman and Vice-Chairman to be made at the Annual Meeting.

In response to a Member question, the Assistant Director – Governance and Legal Services said he would be happy to look at the Constitution with regards to the secret ballot vote being superseded by a call to hold a recorded vote, but emphasised the statutory need to minute a recorded vote when one had been tabled. He said he would produce a note which sets out the issues and report back to the Committee at its next meeting.

RESOLVED to recommend to Council that it adopt the changes to Article 5 of the Council's Constitution set out in the Appendix to the report to provide for nominations for the posts of Chairman and Vice-Chairman to be made at the Annual Meeting.

GAP39

### **PROCEDURE FOR MOVING AMENDMENTS AT COUNCIL MEETINGS**

The Assistant Director – Governance and Legal Services presented the report recommending a change to the Council Procedure Rules to prevent the moving of amendments without notice and with no prior discussion at Council meetings.

The Assistant Director – Governance and Legal Services said the change was an improvement on the Council's constitutional arrangements and would provide a platform for high quality decision making. He said there was an issue with amendments being moved without notice at Council meetings, as no advice could be given to Members on the implications of such an amendment. Furthermore, such changes led to confusion and made the Council appear unprofessional when conducting its business.

To ensure amendments had been properly considered the Assistant Director – Governance and Legal Services said advance notice should be given by noon on the day preceding the Council meeting. Amendments would then be

circulated to all Members giving them time to inform themselves of any implications that the amendment may have.

The exceptions to this rule were in cases where the Chairman was satisfied that the need for the amendment could not have been anticipated before the deadline, or notice for the amendment was given as soon as practically possible. The exception rule could also come into effect when the Chairman was satisfied that the amendment was necessary to improve the wording, or correct factual inaccuracies of motions/recommendations. In both cases it would be at the Chairman's discretion whether a late amendment could be moved.

Members discussed the proposed change to the Constitution and the implications it would have on full Council meetings and the democratic process.

Councillor Hargreaves said he had three objections to the change. The first was that of the nine amendments tabled at Council since August, seven had been defeated and the two that passed had no negative implications. The second was that there would be no 'wrecking' motion on the final vote for the Local Plan. Thirdly, the mechanism by which exceptions to the rule were allowed was unsatisfactory as it allowed room for subjectivity.

Councillor Light said full Council was a dynamic decision making body and if amendments were no longer allowed on the night of the meeting the importance of debate would be negated. She said this would damage the democratic process and she would be voting against the recommendation.

Councillor Rolfe said he believed the change would improve the democratic process and the professional image of the Council, as Members would have time to inform themselves of the implications of amendments, which in turn would improve the quality of decisions being made. He added that no items were brought to Council without already being through the committee and scrutiny process.

Councillor Barker said he had doubts over the exception mechanism in cases where badly written motions were presented to Council and the Chairman had to be convinced to allow an amendment to be tabled. He said a process needed to be found by which full Council could avoid the chaotic moments when an amendment was tabled, but without negating the dynamism of Council meetings.

Councillor Jones said he accepted the sentiment behind the change in procedures but thought this was not the right answer. He said there was scope for debate which could lead to a sound amendment being tabled, particularly if the motion was poor.

The Assistant Director – Governance and Legal Services said there were three options before Members; to agree to the proposed changes to the Council Procedure Rules; to reject the proposed changes; to propose the changes have merit but require further work and to bring back a modified Rule 12.6.6 and 12.6.7 to the next meeting.

If the latter option was preferred, Members were asked to send their comments to the Assistant Director – Governance and Legal Services.

RESOLVED that the changes to the Council Procedure Rules set out in the Appendix to the report require further work and are to be resubmitted to the Committee at its next meeting in May.

#### GAP40 **2017-18 QUARTER 3 PERFORMANCE INDICATORS**

*Councillor Rolfe left the meeting at 8.55pm.*

The Assistant Director - Corporate Services presented the performance indicators report for 2017-18 quarter 3. He said performance was not quite as strong as the previous quarter, although that quarter was the best that had been reported for many years. The latest quarter's results were still an improvement on the same quarter last year.

The following indicators were highlighted by Members:

##### **KPI 08 Average re-let time in days**

The Director – Finance and Corporate Services said it took 10 days from the day of request for an asbestos survey to be completed on council properties, rather than 10 days for the contractor to carry out the survey itself.

In response to a Member request, the Director – Finance and Corporate Service said he would circulate information regarding the situation with asbestos and Council properties. He said the Council had an existing asbestos register and the recent surveys were additional safeguarding measures.

##### **PI22 - Museum users: Total visitors to the museum building and on-site events (Max)**

Members were informed that Museum visitor numbers were disappointing compared to the previous quarter, although it was an improvement on the same quarter last year. The Assistant Director – Corporate Services said the target visitor figures had been profiled when it was thought the new Learning and Outreach Officer would start earlier than had actually happened. He was optimistic that there would be an improvement in quarter 4.

#### GAP41 **CORPORATE RISK REGISTER**

Members discussed the Corporate Risk Register report, which identified risks to Council services and how to manage them.

##### **CR06 - Information Technology**

The Director – Finance and Corporate Services said IT systems would always be a service area which required further action. This was due to the nature of cyber security and the pace at which new threats arise. He said robust provisions were in place, such as staff awareness campaigns and off-site back up provisions, and key systems could be up within an hour if recovery was required.

**GAP42 ANNUAL REPORT**

Members reviewed the Annual Report that would be presented by the Chairman at the Full Council meeting in April.

Councillor Hargreaves asked for the Local Plan costs for 2016-17 ~~2017-18~~ to be included in relevant section of the report. This stood at £810,000.

RESOLVED to approve the content of the Annual Report subject to the addition of the Local Plan costs for 2016-17 ~~2017-18~~.

The meeting ended at 9.00pm.