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GOVERNANCE AND RESOURCES COMMITTEE

Minutes of a Meeting held on Thursday 23 March 2017 in the Council Chamber, Town Hall, Matlock at 6.00pm

PRESENT

Councillor Jacquie Stevens - In the Chair

Councillors Jason Atkin, Deborah Botham, Sue Bull, Albert Catt, Steve Flitter, Chris Furness, Alyson Hill, Neil Horton, Angus Jenkins, Tony Millward BEM, Jean Monks, Irene Ratcliffe, Lewis Rose OBE, Mark Salt, and John Tibenham.

Dorcas Bunton (Chief Executive), Tim Braund (Head of Regulatory Services), Karen Henriksen (Head of Resources), Jenny Williams (Internal Audit Consortium Manager), Steve Capes (Head of Regeneration and Policy), Mike Galsworthy (Estates and Facilities Manager) and Jackie Cullen (Committee Assistant).

John Cornett and Katie Scott – KPMG.

The Chairman requested all present to stand for one minute's silence in commemoration of the victims of the terrorist attack at Westminster, London on 22 March.

APOLOGIES

Apologies for absence were received from Councillors Susan Hobson, Garry Purdy and Colin Swindell. Councillors Jason Atkin and Sue Bull attended as Substitute Members.

438/16 – MINUTES

It was moved by Councillor Jacquie Stevens, seconded by Councillor Chris Furness and

RESOLVED
(unanimously)

That the minutes of the meeting of the Governance and Finance Committee held on 19 January 2017 be approved as a correct record.

The Minutes were signed by the Chairman.

439/16 – EXTERNAL AUDIT PLAN 2016/17

Councillor Angus Jenkins arrived at 6.20pm during discussion of this item.

John Cornett of KPMG presented the External Audit Plan 2016/17 and drew Members' attention to the Headlines as set out on page 1. Mr Cornett clarified how the 'Materiality' figure was determined and highlighted the significant changes in the pension liability due to LGPS Triennial Valuation.

It was moved by Councillor Chris Furness, seconded by Councillor Steve Flitter and

RESOLVED That the External Audit Plan 2016/17 be noted.
(unanimously)

440/16 – EXTERNAL AUDIT GRANT CERTIFICATION LETTER FOR 2015/16

The Committee considered a report on the work carried out by the external auditor relating to grant claims. Members were advised that the letter shown at Appendix 1 to the report had been received in respect of claims and returns for 2015/16, of which only one, relating to Housing benefits, required certification in 2016. The letter indicated that one case error was found and the claim was subsequently amended. Further testing found no additional cases where similar errors had occurred, thus no recommendations were made by the external auditor.

It was moved by Councillor Chris Furness, seconded by Councillor Lewis Rose OBE and

RESOLVED That the "Certification of claims and returns - annual report 2015/16"
(unanimously) letter from the External Auditor be noted.

441/16 – INTERNAL AUDIT REPORTS CONCLUDED UNDER THE 2016/17 OPERATIONAL AUDIT PLAN

The Committee considered a report on the internal audit reports produced in respect of the 2016/2017 Internal Audit Plan approved by the Governance and Resources Committee on 24 March 2016, and the progress made by management in implementing the agreed audit recommendations.

A summary of reports issued covering the period 17th December to 17th February 2017, for audits included in the 2016/17 Internal Audit Plan, was attached as Appendix 1 to the report. This showed for each report a summary of the Overall Audit Opinion and the number of recommendations made/agreed where a full response had been received. Appendix 1 also showed the number of recommendations, analysed between High, Medium and Low priority, together with an overall assessment of the reliability of the internal controls examined in accordance with the classifications tabled in the report.

It was noted that 4 reports had been issued: 3 with a good opinion and 1 with a satisfactory opinion. No reports were issued with a marginal, unsatisfactory or unsound opinion. 2 recommendations had been made.

Appendix 2 to the report showed the current position of internal audit recommendations made as a consequence of audit reviews, as at 17th February 2017. 18 recommendations had been satisfactorily implemented since the last report; 7 were in the process of being

implemented; 12 had not passed their implementation date and 3 remained outstanding. A Data Protection Health Check had been completed and the results reported to this Committee, and the outstanding audit recommendations resulting from the check had been incorporated in to the action plan.

It was moved by Councillor Albert Catt, seconded by Councillor Chris Furness and

RESOLVED That the findings and conclusions of the internal audit reviews and
(unanimously) follow up of the implementation of previous recommendations is noted.

442/16 – INTERNAL AUDIT OPERATIONAL PLAN 2017/18

The Committee considered a report seeking agreement of the Internal Audit Operational Plan 2017/18 which outlined the assignments and estimated resources needed during the year, the terminology for which was attached at Appendix 1 to the report.

An annual report summarising the outcome of the 2016/17 internal audit plan would be presented to this Committee after the year-end.

The internal audit plan for 2017/18 was summarised in the report, and the detailed plan was attached as Appendix 2 to the report, together with a copy of the three year audit plan covering the period 2016/17 – 2018/19.

It was noted that the plan for 2018/19 was indicative only and could well change in order to meet the priorities of the Council.

It was moved by Councillor Chris Furness, seconded by Councillor Jason Atkin and

RESOLVED That the internal audit plan for 2017/18 be agreed.
(unanimously)

443/16 - LAND HOLDINGS REVIEW – LAND OFF COOMBS ROAD, BAKEWELL

The Committee considered a request from the developer of a property adjacent to the Bakewell Agricultural Business Centre site for the grant of various rights across District Council land, as detailed in the report. Following detailed consideration of planning, legal and estate management factors, the report recommended the granting of the rights and the terms which would apply.

The Estates and Facilities Manager advised that as Bakewell Town Council and Ward Members had only recently been consulted on the proposals, and had therefore not yet been in a position to respond, the recommendation should be amended to read:

“That the rights outlined in paragraph 1.2 of the report be granted, subject to Public Open Space advertising *and subject to consideration of the consultation responses from Bakewell Town Council and the area Ward Members*, for a consideration of £12,000 (twelve thousand pounds) and subject to further terms outlined in paragraph 1.3 of the report including the purchaser being responsible for the District Council’s reasonable legal costs.”

It was moved as amended by Councillor Alyson Hill, seconded by Councillor Jean Monks and

RESOLVED
(unanimously)

That the rights outlined in paragraph 1.2 of the report be granted, subject to Public Open Space advertising and subject to consideration of the consultation responses from Bakewell Town Council and the area Ward Members, for a consideration of £12,000 (twelve thousand pounds) and subject to further terms outlined in paragraph 1.3 of the report including the purchaser being responsible for the District Council's reasonable legal costs.

444/16 – SERVICE REVIEWS 2017/18

The Committee considered a report on the outcomes of the 2016/17 Service Reviews, the programme for which was approved by the Governance and Resources Committee on 24 March 2016. For each of the current service reviews, an update on progress and any savings identified were set out in the report.

The report also recommended a review programme for 2017/18, which included continuing/completing the following major Service Reviews during 2017/18:

- Development Management – implementation of electronic processes, new ways of working and revised team structures to achieve planned savings
- Leisure – progress options for outsourcing leisure centre management and operations.

In addition, it was proposed to continue the STEP (Savings, Transformation, Efficiencies and Performance) review programme, with the aim of reviewing all services over a three year period. The following separate STEP reviews were proposed for 2017/18:

- Housing
- Environmental Health
- Burials
- HR and Payroll

Specific reviews of discrete activities were also planned for 2017/18 with the aim of reducing costs or increasing income. These were detailed in the 'Planning for the Future' report considered by Council on 2 March 2017.

It was moved by Councillor Jason Atkin, seconded by Councillor Mark Salt and

RESOLVED
(unanimously)

1. That the 2017/18 Service Review programme is approved as set out in section 4.2 of the report
2. That the outcomes of the 2016/17 Service Reviews and savings are noted
3. That progress with ongoing reviews and joint projects is noted
4. That the STEP review process is continued

445/16 – REVIEW OF GRANTS

The Committee considered a report that sought approval for proposals to reduce grants awarded to the following bodies from 1st April 2018:

- Derbyshire District's Citizens Advice

- Hathersage Parish Council in respect of Hathersage Swimming Pool
- Derwent Valley Mills World Heritage Site
- Rural Action Derbyshire
- Derbyshire Dales Council for Voluntary Service

As part of a package of measures to achieve savings, the Corporate Leadership Team agreed that a review would take place in respect of all concessionary grants currently offered by the Council to outside bodies. The proposal to reduce the level of grant by 10%, year on year for 3 years, following 12 months' prior notice, was in keeping with Council's plans to make necessary savings in its grant allocation budget by 2019/20. It was expected that the grant allocation scheme would be reviewed again in 2019/20, in light of the Council's financial position at that time.

Formal consultation had taken place with each organisation that was identified, and the outcome of the consultation was set out in the report. Copies of responses were attached as appendices to the report, where these had been received at the time of writing the report. RAD's response was delivered at the meeting, as follows:-

"[The] only comment would be that it is not unexpected and that we appreciate the District Council is under financial pressure and we are grateful for the support they are able to provide."

The Head of Resources stressed that the reason for the review was the need for financial savings and was in no way a reflection on how the Council valued the work that the organisations did or the relationship between the two organisations.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Jean Monks and

RESOLVED
(unanimously)

- 1 That the grant to Derbyshire District Citizens Advice, as proposed in section 2.1 of the report, is approved;
- 2 That the grant to Hathersage Parish Council in respect of Hathersage Swimming Pool, as proposed in section 2.2 of the report, is approved;
- 3 That the programme of funding for the wheeled bin service at Hathersage Swimming Pool, as proposed in section 2.2 of the report, is approved;
- 4 That the grant to Derwent Valley Mills World Heritage Site, as proposed in section 2.4 of the report, is approved;
- 5 That the grant to Rural Action Derbyshire, as proposed in section 2.5 of the report, is approved;
- 6 That the grant to Derbyshire Dales Council for Voluntary Service, as proposed in section 2.6 of the report, is approved;
- 7 That the negotiations with Derbyshire Wildlife Trust regarding their service level agreement are noted

446/16 – HEALTH AND SAFETY – ANNUAL REPORT

The Committee considered a report that outlined the work that had been undertaken in respect of the health and safety of employees, members of the public and other persons both across the organisation and through the Safety Committee during 2016/17.

Derbyshire Dales District Council had a written Safety Policy, as required by Health and Safety legislation, which was last reviewed in 2008. As part of its workplan for the current year the Safety Committee reviewed the Safety Policy and the revised Policy was considered elsewhere on the agenda for adoption.

Other Policies and Procedures that were considered during 2016 were the Emergency Evacuation Arrangements for the Town Hall and the Violence and Aggression Policy. The revised Emergency Evacuation Procedure was now ready for implementation and included guidance on bomb threats, suspect packages and actions to be taken in the event of a terrorism incident. The new Procedure would be rolled out to staff in the near future. The Violence and Aggression Policy required further consideration by the Safety Committee and would form part of the 2017/18 workplan.

It was noted that during 2016/17 the arrangements put in place by the District Council to ensure health and safety were subject to an internal audit. The audit concluded that the arrangements could be considered to be good; however it was recognised that the process of protecting the health and safety of staff and others was an on-going process and it was expected that further audits would be undertaken periodically to ensure that the Council's arrangements remained fit for purpose.

It was moved by Councillor Steve Flitter, seconded by Councillor Tony Millward BEM and

RESOLVED That the annual report on health and safety issues is noted.
(unanimously)

447/16 – HEALTH AND SAFETY POLICY

The Committee considered a report that sought Members' approval for the revised Health and Safety Policy considered by the Safety Committee on 23 November 2016.

The Health and Safety at Work etc Act 1974 placed a legal duty on employers to ensure, so far as was reasonably practicable, the health, safety and welfare of employees and to ensure that employees and others were kept safe. Derbyshire Dales District Council had such a corporate Health and Safety Policy, last reviewed in 2008; it was therefore considered to be appropriate for the Policy to be reviewed.

The new Policy followed the Health and Safety Executive's guidance for Safety Policies in that it contained a statement of general policy on health and safety at work, set out who was responsible for specific actions and contained detail on the arrangements that the District Council had in place to achieve the aims set out in the statement of general policy. A copy of the new draft policy was attached as Appendix 1 to the report.

In order for the revised Safety Policy to come into effect it was necessary for it to be considered and adopted by the Governance and Resources Committee. If the Committee adopted the Policy it was proposed that it be reviewed more regularly, initially on a 2 year basis.

It was moved by Councillor Albert Catt, seconded by Councillor Steve Flitter and

RESOLVED That the Committee approves and adopts the revised Safety Policy at
(unanimously) Appendix 1 to the report.

448/16 – CODE OF CORPORATE GOVERNANCE

The Committee considered a review of the Local Code of Corporate Governance in accordance with relevant guidance, as required by the Audit Commission, and was asked to consider approval of an updated Sponsorship Policy.

The review of the Code for consideration was based on the financial year 2016/17; reproduced at Appendix 1 to the report. The SOLACE/CIPFA guidance was based on seven core principles that underpinned the governance arrangement for all bodies, as listed in the report. It was noted that in conducting this year's annual review of the Code, a number of decisions which had recently been taken had improved the evidence base in support of the guiding principles, as tabled in the report.

The Sponsorship Policy, first adopted in 2010, had been reviewed and was attached at Appendix 2 to the report, for adoption by the Committee.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Albert Catt and

RESOLVED 1. That the revised Code of Corporate Governance is approved.
(unanimously) 2. That the updated Sponsorship Policy is approved and promoted on the District Council's web site.

449/16 – EQUALITY, CONSULTATION AND ENGAGEMENT PLAN 2017/18

The Committee considered the District Council's annual Equality Plan which set out how the District Council met its public sector equality duties. The District Council also published an annual Consultation and Engagement Plan which set out what consultation and engagement activities were proposed to be undertaken each year as a way of identifying the means by which it could fulfil its statutory duty to undertake consultation. The report provided an update on progress against the actions set out in the Equality, Consultation and Engagement Plan 2016-17, and sought approval for the Equalities, Consultation and Engagement Plan for 2017-18. Updated equality information was published on the District Council's website as required by legislation on 31 January 2017.

In 2012, the District Council consulted on three draft equality objectives, which were agreed at Community & Environment Committee on 19 April 2012 (Minute No. 387/12) and progress was reported annually. Progress towards these objectives at February 2017 was summarised in Appendix 1 to the report.

The District Council's equality objectives were listed in the report, as follows:

- Improve housing opportunities for vulnerable people
- Help new businesses to start
- Provide services which reflect the communities of the Derbyshire Dales and are accessible to all users

The Equality, Consultation & Engagement Plan 2016/2017 set out at least one or two performance measures/targets for each of these objectives, which were detailed in Appendix 1 to the report. Of the five identified targets two had been fully achieved; one had been deleted and now formed part of the Homelessness Strategy; and two were unlikely to be achieved by the year end, as set out in the report.

Completed Equality Impact Assessments were summarised and presented for Members' review when new or revised policies were being considered at Committee or Council meetings, and were also published on the District Council's website to demonstrate compliance with the Equality Duty. The EIAs that had been completed were listed in the report, together with the EIAs that were no longer required.

The Equality, Consultation and Engagement Plan 2016/2017 was agreed at Governance & Resources Committee on 16 July, 2016 (Minute No. 72/15). Consultation and Engagement activity of note during 2016 - 2017 was listed in the report.

The key areas for consultation that the plan set out for 2017-18 were as follows:

- Waste and Recycling Customer Satisfaction – May & November 2017
- Public Conveniences review - December 2017
- Leisure Services review – ongoing throughout 2017
- Business Engagement Programme – February/March 2017

It was moved by Councillor Chris Furness, seconded by Councillor Tony Millward BEM and

RESOLVED
(unanimously)

1. That progress against the actions in the Equality, Consultation and Engagement Plan 2016-17 (Appendix 1 to the report) be noted.
2. That the Equality, Consultation and Engagement Plan 2017-18 as set out in Appendix 2 to the report be approved.

450/16 – FEES FOR PROMOTION OF PUBLIC RIGHTS OF WAY DIVERSION ORDERS

The Committee considered a report that sought approval to increase the fees and charges for the promotion of public rights of way diversion orders.

The District Council was required on occasions to promote the diversion of public rights of way under the Town and Country Planning legislation to facilitate new development. The promoter of the diversion was responsible for the statutory advertisement fees and according to a decision of the Council taken in 2011, for reimbursement of all legal and support costs. The District Council was supported by an external consultant and the cost of this work had increased recently as a result of increased advertising costs and consultancy services, such that the current scale of fees needed to be revised. The fee structure had not increased since 2011, when charges for this type of work were £600 for an unopposed order and £1000 for an opposed order.

The proposed fee structure was set out in the report, as follows:

<u>Unopposed Order</u>	
Preparation of Order	£1,450
Plan	£ 160

Actual advertising costs
Total

£ 700 (estimate)
£2,310

Opposed Order

£2310 (As above) plus

Consultant's fee at £65 per hour for time spent:

- dealing with objections, representations and associated correspondence
- negotiating to resolve objections
- submitting the order to the Planning Inspectorate where objections are maintained and preparing the statement of case
- liaison with the Planning Inspectorate and representing the Council in the determination of the case by means of a hearing, public inquiry or written representations.

It was moved by Councillor Albert Catt, seconded by Councillor Lewis Rose OBE and

RESOLVED

(unanimously)

That that fees for the promotion of public rights of way diversion orders be increased as set out in paragraph 2.1 of the report, with effect from 1 April 2017.

451/16 – HOUSING BENEFITS OVERPAYMENTS RECOVERY

The Committee considered a report that sought Members' approval for further investment in Housing Benefit Overpayment recovery, which should result in improved collection and minimise potential loss of government subsidy.

It had previously been reported that the costs of the housing benefits service were no longer being fully covered by government subsidy, resulting in a net cost to the Council of £321,391 in 2015/16. The budget for 2017/18 was £295,214 and before 2015/16 the service more or less broke even. A review of housing benefits income and expenditure had identified that housing benefit overpayments had a significant part to play in the current financial situation, as set out in the report. The recovery of Housing Benefit overpayments was therefore a priority.

Housing Benefit Overpayments attracted a level of subsidy from central government dependant on who was responsible for the overpayment of housing benefit, as outlined in the report, and the incentive was for Local Authorities to recover 100% of the overpayment as well as keeping the subsidy.

A number of reasons to improve the Benefits Service in the area of Housing Benefit overpayment collection were listed in the report, and it was noted that the transfer of the service to Arvato in 2014 had increased the capabilities and skills of the Benefits team in relation to overpayment recovery, although resources remained limited. The proposals developed, including the creation of a new post of Housing Benefit Overpayment Officer to manage all of the housing benefit overpayment debt, were detailed in Appendix 1 to the report.

In addition to the new post, improved monitoring practices would be adopted so that debts were individually managed through the recovery process with appropriate actions taken at each stage. For full effectiveness it was thought necessary to review the Council's "Revenues Debt Recovery Policy"; if this were agreed, it would be the subject of a report to the next meeting of this committee.

It was moved by Councillor Tony Millward BEM, seconded by Councillor Albert Catt and

RESOLVED That approval is given to fund an enhanced Housing Benefit
(unanimously) Overpayment Recovery Service, as set out in section 2 of the report, for a period of two years, with a formal review of progress after one year.

452/16 – REFERRED ITEM – REVISED EMPLOYEE CODE OF CONDUCT

The Committee considered a recommendation from the Joint Consultative Committee meeting held on 18 January 2017 for a revised Code of Conduct for all employees of the Council.

It was moved by Councillor Jason Atkin, seconded by Councillor Jean Monks and

RESOLVED (1) That the revised Employee Code of Conduct is adopted
(unanimously) (2) That, the HR Manager be delegated authority to publish and maintain the list of training classified as mandatory and the posts to which the training relates.

453/16 – REFERRED ITEM – TIME OFF FOR ELECTION DUTIES

The Committee considered a recommendation from the Joint Consultative Committee meeting held on 18 January 2017 to amend the leave entitlement policy to remove time off provisions in relation to polling day duties.

It was moved by Councillor Jean Monks, seconded by Councillor Jason Atkin and

RESOLVED To amend the leave entitlement policy to remove time off provisions
(unanimously) in relation to polling day duties with immediate effect.

454/16 – JOINT CONSULTATIVE GROUP: MINUTES OF MEETING 18 JANUARY 2017

It was moved by Councillor Jean Monks, seconded by Councillor Steve Flitter and

RESOLVED That the Minutes of the Joint Consultative Group meeting held on 18
(unanimously) January 2017 be received.

455/16 – EXCLUSION OF PUBLIC AND PRESS

It was moved by Councillor Jacquie Stevens, seconded by Councillor Jason Atkin and

RESOLVED That members of the public be excluded from the meeting for the
(unanimously) remaining item of business to avoid disclosure of exempt information.

456/16 – ARREARS FOR WRITE-OFF – CONFIDENTIAL REPORT

Councillor Tony Millward BEM left the meeting at 7.16pm during discussion of this item.

The Committee considered a report that provided information about debtor write offs authorised by the Head of Resources under delegated authority and sought approval for the write off of individual debts exceeding £1,500 in accordance with Financial Regulation B7. The debts detailed in this report had been pursued through all appropriate methods of recovery open to the Council. Any further action attempted would be likely to incur additional expenses to the Council without the prospect of payment

CIPFA guidelines recommended that bad debts should be identified and written off from the accounts as soon as possible.

The amounts recommended for write-off were summarised in the report, as shown below, and were detailed in Appendix 1 to the report. It was noted that the Head of Resources would implement earlier monitoring procedures to try and reduce the amount of write offs.

	Amount recommended for Write-Off (Appendix 1)	Amounts of £1,500 and under written-off under delegated authority	Total Write-Offs	Budgetary Provision for Bad Debts	Total amount written-off in 2014/15	Total amount written-off in 2015/16
	£	£	£	£	£	£
Council Tax	49,829.55	43,306.02	93,135.57	194,000	27,403.93	59,661.24
NNDR	520,328.41	22,807.89	543,136.30	265,000	41,075.12	165,195.18
Housing Benefit Overpayments	12,689.92	39,809.14*	52,499.06	180,000	0	42,137.42
Sundry Debtors	6,567.10	16,687.59	23,254.69	47,000	29,114.80	21,683.10
Total	589,414.98		712,025.62		97,593.85	288,676.94

*Included £3,887.11 relating to Discretionary Housing Payments where DWP would pay a subsidy.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Steve Flitter and

RESOLVED That the individual amounts exceeding £1,500 listed in Appendix 1 totalling £589,414.98 be written off.

Voting:

For 14
Against 0
Abstentions 1

The Chairman declared the motion carried.

MEETING CLOSED – 7.25PM

CHAIRMAN