

NORTH DEVON COUNCIL

Minutes of a meeting of Governance Committee held at Barum Room - Brynsworthy on Monday, 23rd September, 2024 at 6.30 pm

PRESENT: Members:

Councillor Norman (Chair)

Councillors Bushell, Jones, Orange, Stevenson and Walker

Co-opted Independent Member Naomi Whitmore

Officers:

Director of Resources and Deputy Chief Executive, Head of Governance, Senior Solicitor and Monitoring Officer and Head of Customer Focus.

Also Present in person:

Bradley Hutton (Devon Assurance Partnership (DAP))

104. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Haworth-Booth and Quinn.

105. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 11TH JUNE 2024

RESOLVED that the minutes of the meeting held on 11th June 2024 (circulated previously) be approved as a correct record and signed by the Chair subject to the amendment to minute 98 as follows:

98. AUDIT RECOMMENDATION TRACKER

The Committee considered the Audit Recommendation Tracker report by the Chief Executive in respect of actions taken to address internal and external audit recommendations (circulated previously).

The Committee noted the following updates

- *There were 22 live audit reports – as listed in table A*
- *37 recommendations had been included in table B (recommendations completed since the last meeting of the Governance Committee)*

- *Table C detailed 11 recommendations for which time extensions were being requested. Of these, ten were for extensions within the next 6-month period. Six were already 75% complete*
- *Table D confirmed there were no outstanding recommendations.*

RESOLVED:

- (a) that the time extensions requested in the Audit Recommendation Tracker be approved; and*
- (b) that the Audit Recommendation Tracker be noted.*

106. ITEMS BROUGHT FORWARD WHICH IN THE OPINION OF THE CHAIR SHOULD BE CONSIDERED BY THE MEETING AS A MATTER OF URGENCY.

The Chair reminded the Committee Members of the need to complete their ICT training in relation to Cyber Security, and reconfirmed the importance of keeping these skills up-to-date.

107. DECLARATIONS OF INTERESTS.

There were no declarations of interest announced.

108. INTERNAL AUDIT PROGRESS REPORT

The Committee considered a report by Devon Assurance Partnership regarding the Internal Audit progress report (circulated previously).

The Internal Auditor (BH) advised that the organisation had now been renamed from Devon Audit Partnership, to Devon Assurance Partnership.

The Committee was advised of the following in relation to the Internal Audit Progress Report: "In-Year Monitoring Report 2024-25".

- Four audits had been completed: Treasury Management and Environmental Protection had been awarded a "Substantial Assurance" rating and Economic Development and Lottery had been awarded a "Reasonable Assurance" rating.
- Four audits had commenced for Creditors, Corporate Planning, Museum, and Corporate Programmes.
- The report provided a high-level summary audit plan – dividing the audits into 7 clear categories, with those completed showing their assurance ratings.

The Chair noted that new Audit Standards were to be in place in 2025.

In response to a question, the Director of Resources and Deputy Chief Executive advised that a meeting could be arranged between the Chair and the Auditors to discuss specific audits in more detail if required.

RESOLVED that the Internal Audit Progress In-Year Monitoring Report 2024-25 be noted.

109. CHANGE TO THE ORDER OF THE AGENDA

RESOLVED; as the External Auditors had not yet joined the meeting (remotely) to give them time to join should they be running late.

110. FUTURE PROOFING OUR WORKFORCE

The Committee considered a report by the Head of Organisational Development (circulated previously) in relation to Future-proofing our Workforce.

The Director of Resources and Deputy Chief Executive advised:

- The report was written following previous Governance Committee discussions around the risks identified on the authority's Corporate Risk Register.
- Local Authorities across the country were experiencing challenges in the recruitment and retention of employees.
- The issue of an ageing workforce had been identified – with almost over half of the Council's staff being over 51 years of age.
- Although many employers had instigated a return-to-office, the Council had adopted a flexible approach with a hybrid work from home / office presence. This was felt to be a benefit when advertising vacant posts.
- Recruitment pages on the website had been redesigned, and videos created to provide prospective employees with a sense of the work and ethos of the Authority.
- The Local Government Association (LGA) had carried out national campaigns promoting the benefits of careers in Local Government.
- Vacant posts were now advertised more widely – using services such as LinkedIn, Indeed, Facebook etc., alongside specialist employment agencies.
- Various entry levels into employment were now available – including apprenticeships, national graduate schemes.
- Existing staff were undertaking further education and training which was funded through the apprenticeship levy. This included degrees, apprenticeships, MSCs and approved training via Exeter College (where not locally available).
- The HR team were undertaking a review of the workforce data.

In response to questions from the Committee, the Director of Resources and Deputy Chief Executive advised:

- Exit interviews were offered to all staff were leaving the authority, although these were not always taken up.
- Well-being surveys were regularly issued. The results were not provided to Councillors but an overall summary of the authority could be provided if required.
- The Organisational Development (OD) Group consisted of staff from across the departments/locations, but did not include Councillors.

In response to the update, the Committee Members:

- Thanked the members of both the Senior Management Team and the Human Resources team, for having the foresight to take pro-active action and create a good strategy to attract and retain staff - noting that those officers given the chance to advance their skills, and careers, were more likely to remain with the Authority.
- Noted the significant work taking place within the Authority in relation to the retention and wellbeing of its staff.
- Noted the way in which the Bereavement Manager's (future) retirement was being handled (in the training of a replacement prior to his retirement) and that they were confident the crematorium had a very competent replacement coming into the service who had had the opportunity to train and learn from the existing manager.

RESOLVED that the Future-proofing our Workforce report be noted.

111. LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN LETTER

The Committee considered the Local Government and Social Care Ombudsman Letter (circulated previously).

The Head of Customer Focus confirmed that this letter contained the summary of complaint statistics for the year ending March 2024.

- The Head of Customer Focus advised that of the complaints received, two were in Waste and Recycling, and three in Environmental Health. All issues had since been resolved.

In response to questions from the Committee, the Head of Customer Focus advised:

- SMT met with all services on a monthly basis and discussed the services within the CRM. This included considering whether the availability of additional information on the website could have prevented some complaints.
- Regular post-call surveys were undertaken with further, more in-depth surveys emailed out to those willing to take part.
- The number of complaints received was 51% less than the previous year.

In response to a question from the Committee, the Director of Resources and Deputy Chief Executive advised that the key performance indicator (KPI) reports were

presented to Strategy and Resources Committee, followed by Policy Development Committee and then onto Full Council, and was not under the remit of the Governance Committee.

The Head of Governance confirmed the publication of performance data/statistics was part of a future action plan.

RESOLVED that the Local Government and Social Care Ombudsman Letter be noted.

112. HALF YEARLY REPORT OF THE CHAIR OF THE GOVERNANCE COMMITTEE

The Committee considered the Half Yearly Report of the Chair of the Governance Committee (circulated previously).

RESOLVED that the Half Yearly Report of the Chair of the Governance Committee be noted and proceed to Council for consideration.

113. UPDATE TO CONSTITUTION - DELEGATED POWERS TO HARBOUR BOARD

The Committee considered a report by the Senior Solicitor and Monitoring Officer regarding the Update to the Constitution – Delegated Powers to Harbour Board (circulated previously).

The Senior Solicitor and Monitoring Officer advised the Committee:

- The Harbour Board had recommended the establishment of a formalised advisory board (the Ilfracombe Harbour Advisory Committee), made up of harbour users, to ensure compliance with the Ilfracombe Harbour Revision Order. The update to delegated powers to the Harbour Board was required in order that it had the power to formally approve appointments to the advisory board.
- The proposed amendment to the delegated powers of the Harbour Board was not specific to Ilfracombe Harbour in order that a similar advisory board could be set up in respect of Lynton and Lynmouth Harbour should this be required in the future.
- The reference to “long term strategy plan” in paragraph 2 of the delegated powers to the Harbour Board was updated to “business plan” to reflect appropriate and up to date terminology.
- Appendix A set out the proposed North Devon Council Constitution extract (Paragraph 6 to Annexe 1 Part 3), Appendix B showed the original extract

with proposed amendments (as tracked changes) in order that members and the public could see specifically what was proposed to be changed. Appendix C was the Ilfracombe Harbour Advisory Committee Constitution.

RECOMMENDED that Paragraph 6 to Annexe 1 to Part 3 of the Constitution be amended (with the wording set out in appendix A to the report).

114. UPDATE REPORT ON FRAUD INVESTIGATIONS

The Senior Solicitor and Monitoring Officer provided an update on the Conduct of Investigations.

The Senior Solicitor and Monitoring Officer advised the Committee that there had been no investigations since the last Governance Committee.

RESOLVED that the Update Report on the Conduct of Investigations be noted.

115. ADJOURNMENT OF MEETING

RESOLVED that it being 7:34 pm, the meeting adjourn for a break.

RESOLVED that it being 7:40 pm, the meeting now re-convene.

116. EXCEPTIONS TO CONTRACT PROCEDURE RULES

The Senior Solicitor and Monitoring Officer updated the Committee in relation to Exemptions to Contract Procedure Rules made since the date of the previous Governance Committee.

The Committee considered an extract from the minutes of the Strategy and Resources Committee of 1st July 2024 (circulated previously). The extract covered a decision in relation to the approval of Section 106 Funds for CCTV at Anchorwood Bank with a connected contract to procure additional CCTV via the Council's existing contractor in that area as a result of these funds, therefore setting aside requirement to seek quotes in the Contract Procedure Rules.

The Senior Solicitor and Monitoring Officer advised that the decision had met the criteria to require it to be presented to the Governance Committee because it set aside the requirement to seek quotes as part of a wider decision on the use of Section 106 Funds as, given its value, if the award of the contract were being considered on its own, it would normally have been dealt with at officer delegated authority level.

RESOLVED that the Exemptions to Contract Procedure Rules be noted.

117. REVIEW OF RIPA POLICY

The Committee considered a report by the Senior Solicitor and Monitoring Officer regarding the Review of RIPA Policy (circulated previously).

The Senior Solicitor and Monitoring Officer presented the report to the Committee and confirmed that:

- To ensure future compliance with RIPA (Regulation of Investigatory Powers Act 2000) the Council's procedure was required to remain fully up to date. It was the Senior Solicitor and Monitoring Officer's view that they remain sufficiently up-to-date and relevant.
- The procedure would be presented to Members via Governance Committee annually in future (as would be covered in the Work Programme item later).
- The Authority had not been required to use covert powers of surveillance since 2014.
- Further training would be provided to staff to raise general awareness of RIPA to avoid inadvertent breach and more specific training to front line staff on when RIPA is engaged.

In response to a question, the Senior Solicitor and Monitoring Officer advised that he would consider whether RIPA training was required for Councillors.

RESOLVED that the Council's Procedure for Ensuring Compliance with RIPA (Regulation of Investigatory Powers Act 2000) Policy be APPROVED as appropriate and remain as currently drafted.

118. EXTERNAL AUDIT - PROGRESS REPORT AND SECTOR UPDATE

As the External Auditors were not present, the Committee received an update by the Director of Resources and Deputy Chief Executive regarding the External Audit – Progress Report and Sector Update.

The Director of Resources and Deputy Chief Executive confirmed:

- The deadline for the audit sign off of the Financial Statements 2023/24 was 28 February 2025. It was planned that the External Auditors report would be presented to Governance Committee in November 2024.
- The External Auditors were pleased with the work carried out to date on the audit at NDC, and the speed in which the finance team responded to their queries.

- Some audit work remained outstanding in relation to the valuation of assets which was due to be completed soon.
- The majority of the audit sampling had been completed.
- A good working relationship was in place between the Authority and the auditors.
- This was Bishop Fleming's first year on Local Government audit.
- Some staff from the previously appointed auditors (Grant Thornton) had moved over to employment with Bishop Fleming.

RESOLVED that the External Audit – Progress Report and Sector Update be noted.

119. AUDIT RECOMMENDATION TRACKER

The Committee considered the Audit Recommendation Tracker report by the Chief Executive in respect of actions taken to address internal and external audit recommendations (circulated previously).

The Committee noted the following updates:

- There were 20 live audit reports – as listed in table A.
- 16 recommendations had been included in table B (recommendations completed since the last meeting of the Governance Committee)
- Table C detailed 2 recommendations for which time extensions were being requested. One was linked to the wider Devon Emergency Planning and was 75% complete. Works were pending action by Devon County Council. The second was in relation to Housing Policies. The context for the delay was around the team being under pressure on priority work areas but only required a short extension to this audit recommendation.
- Table D detailed no outstanding recommendations.
- The recommendations in Table E (Annual Governance Statement) related to the Annual Governance Statement 2023/24 and none were overdue. It was noted that of the two audit recommendations with due dates at the end of September 2024, 24 AGS 03 had been completed, and 24 AGS 06 was 75% completed and on target for completion by the due date.

In response to questions from the Committee the Director of Resources and Deputy Chief Executive advised that:

- Future reports could include more detailed information in relation to the higher rated risk audit recommendations if required.
- The percentage shown (on appendix a) was the average percentage completed of all of the recommendations within the audit.

The Internal Auditor advised that works could be undertaken to improve the format of the reports.

RESOLVED:

- (a) that the time extensions requested in the Audit Recommendation Tracker be approved; and
- (b) that the Audit Recommendation Tracker be noted.

120. WORK PROGRAMME

The Committee considered the work programme for 2024-25 (circulated previously).

RESOLVED that the work programme for 2024-25 be noted.

121. REPORT ON THE CORPORATE RISK REGISTER

The Committee considered the Summary of the Risks Identified under the Corporate Risk Register report by the Head of Governance (circulated previously).

The Head of Governance confirmed that the risks identified would be considered in greater detail under agenda item 19 of this agenda.

Item 19 was classified as restricted and would be discussed following the exclusion of Public and Press.

122. EXCLUSION OF PUBLIC AND PRESS AND RESTRICTION OF DOCUMENTS

RESOLVED:

- (a) That, under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item as it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of the Schedule 12A of the Act (as amended from time to time), namely information relating to the financial or business affairs of any particular person (including the authority holding that information).
- (b) That, all documents and reports relating to the item be confirmed as "Not for Publication".

123. CORPORATE RISK REGISTER

The Committee considered the Corporate Risk register report by the Head of Governance (circulated previously).

The Head of Governance advised the Committee that the corporate risk group (CORGI) had met on 3rd September, to review and update the corporate risk register. The risks and risk scores remain the same as the last quarter.

The risk 'inadequate insurance cover' had been recently added to the register and an extra £5m insurance layer was now in place for the Brynsworthy site and SMT were considering options to re-tender the property portfolio insurance for 2025/26.

Each risk was shown with updated notes.

In response to questions from the Committee, the Head of Governance confirmed that:

- Risk of being unable to meet the temporary accommodation need remained high on the register although it could be argued it was no-longer a risk; but a reality. Additional reserves had been put in place at the end of 2023/24 financial year to help mitigate ongoing additional costs from increased homelessness provision.

The Director of Resources and Deputy Chief Executive advised:

- Suggestions from members were welcome, and would be reported-back to the officers involved.
- Discussions were ongoing with partner groups such as the Salvation Army.
- The Authority had invested in its own property to assist in re-homing people, which reduced the costs of more expensive 'B&B' placements.
- Investment had been made in the provision of temporary accommodation pods.

The Internal Auditor confirmed that the Homelessness Audit had been programmed for 2025-2026.

RESOLVED that the Corporate Risk Register be noted.

Chair

The meeting ended at 8.29 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.