

GOVERNANCE AND AUDIT COMMITTEE

Date: 20 March 2017

Venue: East Northamptonshire House, Cedar Drive, Thrapston

Time: 7.30pm

Present: Councillors: Colin Wright (Chairman)
Peter Wathen (Vice-Chairman)
Lance Jones Robin Underwood

External attendees:

Rachel Ashley-Caunt (Head of Internal Audit) For Agenda Items Welland Internal Audit Consortium – Internal Audit Progress and Performance & Welland Internal Audit Consortium – Internal Audit Plan 2017/18

465. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Alex Smith.

466. MINUTES

The minutes of the meeting held on 1 February 2017 were approved and signed by the Chairman.

467. DECLARATIONS OF INTEREST

No declarations of interest were made by members of the Committee at this point in the meeting.

468. QUESTIONS UNDER COUNCIL PROCEDURE RULE 10.3

No questions were submitted under Procedure Rule 10.3.

469. FUTURE OF INTERNAL AUDIT

The Head of Internal Audit presented a verbal report on the current position regarding the internal audit service.

The draft contract for the new arrangements with LGSS for providing the internal audit function was currently being reviewed by lawyers and staff consultations had been completed. The new arrangements would be implemented from 1 April 2017.

RESOLVED:

That the report be noted.

470. WELLAND INTERNAL AUDIT CONSORTIUM – INTERNAL AUDIT PROGRESS AND PERFORMANCE

The Head of Internal Audit provided Members with information on the progress made by the Consortium on the delivery of the Annual Internal Audit Plan for 2016/17 and associated measures of performance.

RESOLVED:

That the progress and performance of the Consortium and the key findings from audits delivered during the period be noted.

(Reason: To review the performance of Internal Audit against the agreed plan and any key findings regarding the council's risk management and control arrangements in accordance with the Public Sector Internal Audit Standards)

471. WELLAND INTERNAL AUDIT CONSORTIUM – INTERNAL AUDIT PLAN 2017/18

The Head of Internal Audit presented a report seeking the Committee's approval of the Internal Audit Plan for 2017/18, in line with the requirements of the Public Sector Internal Audit Standards.

Arising from the audit of Contractor health and safety which was proposed in the Plan for 2017/18, the Committee considered some recent issues relating to the waste collection contract. Members sought assurances on the effectiveness of the current methods used to measure these and were of the view that relying on complaints made to gauge performance under the contract was inadequate.

RESOLVED: That

- i) the Audit Plan for 2017/18 be approved.
- ii) authority be given to the S151 Officer and the Chairman and Vice-Chairman of the Governance and Audit Committee to agree amendments to the Plan during the financial year, if required.
- iii) the Waste Contract Working Party be requested to consider the inclusion of terms in the Waste Contract to be let next year setting out the methodology to effectively measure the following items:
 - a) The safe operation of equipment used in carrying out the work covered by the contract.
 - b) The management of any reputational risk to ENC posed by the contractor carrying out work under the contract.

(Reason: To demonstrate that the Committee is discharging its responsibilities in conformance with the Public Sector Internal Audit Standards).

472. DECLARATION OF INTEREST

At the conclusion of the above item of business, Councillor Lance Jones indicated that he may have an interest to declare which he had omitted to declare earlier in the meeting. Accordingly, the following declaration of interest was made:

Councillor	Agenda item	Nature of Interest	DPI	Other Interest
Lance Jones	Welland Internal Audit Consortium – Internal Audit Plan 2017/18 (issues relating to the Waste Contract)	Kier Construction are a customer of a company owned by Cllr Jones – the Waste Contract is currently let to Kier Waste Management which is part of the same group		Yes (remained in the meeting but did not vote on recommendation (iii))

473. CHANGES TO PART 5.4 OF THE CONSTITUTION

The Monitoring Officer presented a report proposing changes to Parts 4.3 and 9 of the Council's Constitution.

There was currently a right of appeal against each of the possible Initial Assessment outcomes of complaints that a Councillor had breached the Code of Conduct for Councillors. This included an assessment decision that the complaint should be referred for formal investigation.

Appeal rights also existed at the conclusion of any Hearing held where the Councillor complained against was deemed to have a case to answer following an investigation. With this preservation of appeal rights in mind, and in consideration of the fact that any appeal against referral for investigation would occur before any breach of the Code had been determined and the complaint investigated, it was considered that the appeal right at this stage could be removed without an adverse affect on the Councillor complained against.

It was noted that an appeal at the Initial Assessment stage of the procedure contained in Part 9 of the Constitution would delay any referral for investigation being made by several weeks and added to concerns raised by parties involved that the process took too long to complete.

An Initial Assessment decision to take no further action or to take other/informal action would effectively bring the process to an end. It was therefore considered that a right of appeal against these outcomes should be retained.

The Joint Standards Complaints Committee would consider this amendment to the procedure in Part 9 of the Constitution at its meeting to be held on 22 March 2017 and if both Committees supported the proposal, the Monitoring Officer would submit a report to the next Council meeting seeking the amendment to the Constitution.

Following a recent internal audit of NNDR processes, it had been recommended that the debt write-off limits contained in Part 4.3 of the Constitution should be revised. Accordingly, the revised limits recommended were submitted for the Committee's consideration.

RESOLVED:

That the removal of the right to appeal an Initial Assessment decision to refer a complaint for further investigation be supported and this change to the Constitution to be referred to Council

(Reason: It is considered this proposal would assist in decreasing the length of time to complete investigations of complaints of alleged breach of the Code of Conduct for Cllrs)

R.27 RESOLVED TO RECOMMEND TO COUNCIL:

That the changes to Part 4.3 Paragraph 5.49 of the Constitution to make additional provision for write off of debts as set out below be approved:

Excusal of debts due to the Council shall require the following authorisation:

Type of Debt	Revenues Manager or Benefits Manager	Any Member of the Corporate Management Team	Chief Finance Officer or Deputy S151 Officer	Relevant Committee
Business Rates/National Non Domestic Rates	Up to £100	Up to £1,500	Up to £25,000	Above £25,000
All other debts (including Council Tax & Housing Benefit)	Up to £100	Up to £1,500	Up to £25,000	Above £25,000

(Reason: To implement the recommendations of Internal Audit in relation to debt write off).

Chairman