

## MAIDSTONE BOROUGH COUNCIL

### Audit, Governance and Standards Committee

#### MINUTES OF THE MEETING HELD ON MONDAY 17 SEPTEMBER 2018

**Present:** Councillor McLoughlin (Chairman), and  
Councillors Bartlett, Coulling, Daley, English, Harvey,  
McLoughlin, Perry, Purle and Round

**Also Present:** Mr Darren Wells, External Auditor,  
Grant Thornton

29. APOLOGIES FOR ABSENCE

It was noted that apologies for absence had been received from Councillor Cox, Garland and Webb.

30. NOTIFICATION OF SUBSTITUTE MEMBERS

The following Substitute Members were noted:-

Councillor English for Councillor Cox  
Councillor Round for Councillor Garland

31. URGENT ITEMS

There were no urgent items.

32. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

33. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

34. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

35. EXEMPT ITEMS

**RESOLVED:** That the items on the agenda be taken in public as proposed.

36. MINUTES OF THE MEETING HELD ON 30 JULY 2018

**RESOLVED:** That the Minutes of the meeting held on 30 July 2018 be approved as a correct record and signed.

37. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

38. COMMITTEE WORK PROGRAMME 2018/19

The Committee considered its work programme for 2018/19.

In response to questions by Members, Mr Mark Green, the Director of Finance and Business Improvement, advised that:-

- the Contract Monitoring Update would come to the Committee in November
- the Maidstone Property Holdings Governance Arrangements would come to Committee in November

The Committee was reminded that a report on the Appointment of a Public Open Space and Recreation Delivery Officer was on the Work Programme as Members were interested to know what effect the post would have on the underspend of Section 106 monies.

### 39. ANNUAL COMPLAINTS REPORT 2017/18

Mrs Angela Woodhouse, the Head of Policy, Communications and Governance, introduced her report which gave an overview of how the Council had performed in responding to complaints in 2017/18.

Mrs Woodhouse explained that:-

- The Council had received 728 Stage 1 complaints in 2017/18 compared to 584 in the previous year which represented an increase of 25%. The increase had been partly due to the severe weather which had resulted in additional complaints due to the disruption in service provision.
- Of the 728 Stage 1 complaints received in 2017/18, 108 had been escalated to Stage 2.
- In an effort to improve the Council's overall service, the Policy and Information Team would be implementing complaint training so lessons could be learnt.

Mrs Woodhouse also drew attention to the copy of the Annual Review Letter 2018 from the Local Government & Social Care Ombudsman, attached at Appendix 4 to the report, which set out the number of complaints and enquiries that had been received about the Council.

In response to questions, Mrs Woodhouse advised Members that:

- The Council categorised more issues as complaints than some other Councils, which made our figures look high. However she was happy to get the Policy and Information team to revisit this.
- Requests for service from Members were not categorised as a complaint.
- The Council policy on responding to a Stage 1 complaint was within 10 working days of receipt and Stage 2 complaints were

investigated by the Head of Policy, Communications and Governance and a response would be provided within a further 20 working days.

- The change in the Summer of last year for the management of environmental enforcement had not had much of an effect on the number of complaints in that area.
- The telephone system did not allow for prioritisation of calls. A who's who list was sent out to all Councillors to encourage direct dialling.
- Complaints about the telephone system were not particularly high, more complaints were generated about not being able to get through to the back office.

The Chairman requested that Members of the Committee try to ring into the Council over the next few weeks and then report back to the next meeting on their findings.

**Resolved to Recommend to Council:** That the Council's performance on complaint management in 2017/18 and the Local Government and Social Care Ombudsman's review letter for the year ending 31 March 2018 be noted.

40. COMPLAINTS RECEIVED UNDER THE MEMBERS' CODE OF CONDUCT

Mrs Estelle Culligan, the Principal Solicitor (Contentious and Corporate Governance) introduced her report which provided an update to the Committee on complaints received under the Members' Code of Conduct for the period 1<sup>st</sup> March 2018 to 31<sup>st</sup> August 2018.

The Committee noted that during that period there had been 8 complaints against Parish Councillors and one against a Borough Councillor.

**RESOLVED:** That the report be noted.

41. CIPFA POSITION STATEMENT ON AUDIT COMMITTEES IN LOCAL AUTHORITIES AND POLICE

Mr Rich Clarke, the Head of Audit Partnership presented his report on the CIPFA Position Statement on the role of Audit Committees in local authorities and how they could best undertake the role.

The Committee noted that the Chartered Institute of Public Finance & Accountancy (CIPFA) published its revised Position Statement on Audit Committees in May 2018 which set out a review of good practice in an effective Local Authority Audit Committee.

Members felt that this was something they wished to pursue and respected the views of CIPFA.

Mr Clarke explained that the next step would be to draw up a work programme with proposals, which would include a workshop, and he would circulate that to Members for comment.

In response to a question from a Member, Mr Clarke confirmed that he would circulate the email to all Members and Substitute Members of the Committee.

**RESOLVED:**

- 1) That the CIPFA Position Statement on Audit Committees in Local Authorities be noted.
- 2) That a further report be submitted to a future meeting reflecting on the Committee's work in considering CIPFA's Position Statement.

42. EXTERNAL AUDITOR'S ANNUAL AUDIT LETTER

Mr Mark Green, the Director of Finance and Business Improvement introduced his report which summarised the main findings from the work undertaken by the External Auditor for the year ended 31<sup>st</sup> March 2018 and brought the audit process for 2017/18 to a close.

Mr Darren Wells from Grant Thornton was in attendance to present the Annual Audit Letter.

In response to questions from Members, Mr Wells explained that:-

- He felt the phrase 'Thought Leadership' was a fair reflection of the way Grant Thornton advised Councils.
- The revenue figures used when calculating materiality levels included housing benefit revenue. If a case was made, that could be excluded.

The Committee gave a vote of thanks to Mr Wells for his services to the Council as this would be his last meeting.

**RESOLVED:** That the External Auditor's Annual Audit Letter for the year ending 31<sup>st</sup> March 2018, attached at Appendix 1 to the report, be noted.

43. BUDGET STRATEGY - RISK ASSESSMENT UPDATE

Mr Mark Green, the Director of Finance and Business Improvement, introduced his report which provided an update on the budget risks facing the Council.

The Committee noted that:-

- In terms of local government funding the 2019/20 settlement could be more favourable than expected for Maidstone as the government had indicated that they were minded not to levy a negative revenue

support grant.

- It would be prudent for the one-off saving of £1.6 million from the likely waiver of the negative revenue support grant to be held in reserve.
- The government was minded to set a Council Tax referendum limit of 3%.
- Business rates income was slightly up on projections for Kent and Medway as a whole for the first quarter, but slightly down for Maidstone as an authority.
- Although the Council would share in an additional 50% of the growth in business rates income this year, this would be jeopardised if business rates income did not in fact grow across the Kent and Medway area.

Following a discussion on the presentation of the risks using a two dimensional matrix and the proposal to also show them using a linear scale, Mr Green undertook to circulate a copy of Councillor Coulling's email which illustrated his proposal to all Members and Substitutes of the Committee.

**RESOLVED**: That the updated risk assessment of the Budget Strategy provided at Appendix A to the report be noted.

44. DURATION OF MEETING

6.30 p.m. to 7.35 p.m.