

GOVERNANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2016

Present:- Councillor Pearson (Chair), Councillor Barlow, Councillor Chaplin, Councillor Chillingworth, Councillor Maclean, Councillor Willetts

Also Present:- Councillor T.Young, Councillor Cory

15. Minutes

RESOLVED that the minutes of the meeting held 26 July 2016 were confirmed as a correct record.

16. Work Programme 2016/17

Councillor Pearson introduced the work programme and highlighted to the Committee that there will be an additional meeting scheduled for the end of February or beginning of March in order to receive the third quarter Revenue and Capital reports.

RESOLVED that the Work Programme 2016/17 be noted.

17. Colchester Borough Homes Annual Report and Governance Statement

Councillor Chapman, Chair of the Finance and Audit Committee at Colchester Borough Homes introduced the report. The report requests that the Committee considers and comments on the Governance Assurance Statement of Colchester Borough Homes and accepts the assurance provided by Colchester Borough Homes regarding its governance arrangements through 2015/16.

Councillor Chapman stated that he was fully confident in the governance processes at Colchester Borough Homes; governance arrangements are becoming increasingly more important due to the widening business activities of Colchester Borough Homes. For the financial year that this report reflects both Councillor Chapman and Councillor Lilley were members of the Finance and Audit Committee, for the current financial year Councillor Liddy has replaced Councillor Lilley. In addition to the Councillor appointments, Councillor Chapman highlighted there are a number of independent members who have experience in different fields of work and add to the knowledge of the Committee.

Michael Hadjimichael, Director of Resources, Colchester Borough Homes, stated that he had been in post just over a year, and was confident with the approach and the current arrangements

The Committee welcomed the report; Councillor Willetts questioned how well the relationship between Colchester Borough Council and Colchester Borough Homes was working. In response, Michael Hadjimichael stated that there was a good understanding

between Colchester Borough Council and Colchester Borough Homes to deliver services and to continue the arrangements. A review of the services provided for the next three years will shortly be conducted and then reported back to the Governance and Audit Committee through the Annual Governance Statement in future years.

Councillor Chillingworth questioned how the changes in Government policy regarding rent had affected the risk register. Michael Hadjimichael stated that the risks had been included on the register for the last six months and Colchester Borough Homes have been working with the National Federation of Arm's Length Organisations to keep updated on the latest information. Colchester Borough Homes have also worked with local residents to keep them informed of any potential impact.

RESOLVED that;

- a) the Committee considered and commented on the Governance Assurance Statement of Colchester Borough Homes.
- b) the Committee accepts the assurance provided by Colchester Borough Homes regarding its governance arrangements throughout 2015/16.

18. Annual Statement of Accounts 2015/16

Steve Heath, Finance Manager, introduced the Annual Statement of Accounts 2015/16 report. The report requests that the Committee note the publication of the audited statement of accounts for 2015/16.

Steve Heath stated that the auditors had provided Colchester Borough Council with an unqualified opinion that the accounts give a true and fair view of the Council's financial position as at 31 March 2016 and of its income and expenditure for the year then ended. The Committee heard that a copy of the accounts had been placed in the library for those without online access to view.

RESOLVED that the Committee note the publication of the audited Statement of Accounts for 2015/16

19. Review of Meetings and Ways of Working

Andrew Weavers, Monitoring Officer, introduced the report on the review of meetings and ways of working. The report requests that the Committee note the contents of the report, provide feedback on the ideas contained within Appendix 1, consider a proposal for an informal meeting and agree a timescale for the review to take place.

Andrew Weavers highlighted that the report revolves around the scope that was agreed at the previous Governance and Audit Committee meeting. The appendix includes ideas that could assist in achieving the four objectives which Councillors will be required to prioritise.

Andrew Weavers provided the Committee with an update on the Town Hall Wireless network, which forms part of the Digital Challenge; it was confirmed that the network would be completed and operational by 31 October 2016.

The Committee discussed the priorities as part of the review. In response to questions regarding the new technology available to Councillors, it was confirmed that the introduction of Office365 would allow Councillors to work on any device with internet access in any location. This would be a significant improvement in the Virtual Desktop Infrastructure that

some Councillors currently use. In response to a query regarding the availability of devices for Councillors, Matt Sterling, Assistant Chief Executive confirmed that devices could be made available to Councillors if requested, however many Councillors are happy to continue using their own device.

Councillor Willetts commented on the reports and the objectives as part of the review. He stated that there should be greater focus on improving the technology available to Councillors and to the authority which would improve the day to day working practices rather than a specific focus on increase public participation. Councillor Willetts also highlighted the possibilities of officers attending meetings virtually rather than being required to physically attend meetings and also to avoid anachronisms to improve public understanding of Council processes. In response to a question from Councillor Willetts, Andrew Weavers confirmed that the constitution would have to be reviewed in light of the advancement of digital technology and in particular accessing agendas through tablet devices.

The Committee discussed the possibility of video streaming which would provide greater visibility of Councillors to the public, and also provide a means for members of the public to interact with the meeting remotely. The Committee also discussed changing the start time of Committee meetings, but were wary if different committees had different start times as this may cause confusion. Councillor Maclean highlighted those Councillors and residents who worked in London may struggle with the 6pm committee start times and suggested that the start time of the Governance and Audit Committee could be moved back thirty minutes.

A member of the public signalled their intention to have their say during the item and with the Chair's permission was permitted to speak.

Have Your Say!

Adam Wilson stated that whilst agreeing that IT needed to be improved for Councillors this goal should be achieved in parallel with increasing the level of public engagement and participation. Adam Wilson questioned the rationale behind the inclusion of age profile figures and recognised that members of the public only tended to have their say at meetings when the issue being discussed directly affected them.

Councillor Pearson thanked Adam Wilson for attending the meeting and having his say on the report. Whilst it was agreed that the information about age profile could have been presented in a better way, the reason behind its inclusion was to highlight the disparity in Councillor age groups. In response to the point raised by Adam Wilson, Councillor Willetts highlighted that in improving the technology for Councillors, this would have a knock on effect of improving the accessibility to Councillors and the decision making process.

The Committee discussed the reasons behind differing levels of Councillor representation from each of the age groups and the difficulty of being a Councillors and in full time employment.

Councillors also commented on making sure that information on how the Council works and decision making processes are easily accessible on the website, and that the Council needs to improve circulating this information to wider audiences. A suggestion was made about extending call-in periods for decisions and allowing means for members of the public to call decisions in.

The Committee agreed to hold two informal meetings to assist in the review of meetings and ways of working, the first of which would be for Councillors to provide a contribution and the second would be an opportunity for members of the public to feed into the review. The Committee also agreed that the review would not aim for completion by the February Council meeting.

RESOLVED that;

- a) the contents of the Review of Meetings and Ways of Working report be noted.
- b) the Governance and Audit Committee reviewed and commented on the ideas within Appendix 1.
- c) two informal meetings be arranged, one for Councillors to attend and the second for members of the public to attend and input their views into the review
- d) the review will not report to the Council meeting in February and that the timescale for the review be updated as it progresses.

20. Financial Monitoring Report – April to June 2016

Darren Brown, Finance Manager, and Councillor Cory, Portfolio Holder for Resources, introduced the Financial Monitoring Report for April to June 2016. The Committee is asked to consider the financial performance of General Fund Services and the Housing Revenue Account (HRA) for the first month of 2016/17.

Darren Brown stated that the projected outturn for the General Fund is currently a net overspend of £47,000, with the Housing Revenue Account forecast position currently on budget. Darren Brown highlighted that the quarter two financial monitoring report is due to go to the Scrutiny Panel during November.

Councillor Willetts questioned whether a forecast for each quarter of the budget could be provided to the Committee. In response Councillor Cory stated that the current system of reporting quarterly provides an accurate measurement, profiling each quarter would not provide the same accuracy due to the changing nature of each budget.

RESOLVED that the Financial Monitoring Report April to June 2016 be noted.

21. Capital Expenditure Monitor 2016/17

Steve Heath, Finance Manager, introduced the Capital Expenditure Monitor 2016/17 report. The report requests that the Committee review the level of capital spending during the first three months of 2016/17 and forecasts for future years.

Steve Heath highlighted the contents of the report to the Committee, and explained that the report focuses on the larger projects that relate to the creation of an asset. The capital programme also runs over a number of financial years.

Accrued capital spending for the first three months of the year totalled £2.4m, which represents 9% of the projected spend for 2016/17. Steve Heath highlighted that there had been no significant variances from the capital programme, and there were currently no red schemes.

Responding to a question from the Chair, Steve Heath confirmed that the usage of the term capital receipts within appendix B reflected previous Cabinet decisions that used capital receipts rather than the sale of those elements listed.

Steve Heath also responded to another query, stating that for those significant projects the expenditure is itemised and coded allowing officers to look at the type of spend. The Committee agreed that this information could be provided at the Chairman's briefing prior to the Governance and Audit Committee receiving the quarter three capital report.

RESOLVED that the Capital Expenditure Monitor 2016/17 be noted.