

## **AUDIT & CORPORATE GOVERNANCE SCRUTINY COMMITTEE**

### **MINUTES OF MEETING HELD ON WEDNESDAY, 23 FEBRUARY 2022**

#### **Present:**

Councillor Martin E Thacker MBE JP (Chair) (in the Chair)  
Councillor Michael Roe (Vice-Chair)

Councillor Stephen Clough  
Councillor Pat Kerry

Councillor Nigel Barker  
Councillor Ross Shipman

#### **Also Present:**

K Drury	Information, Engagement and Performance Manager
L Hickin	Managing Director
J Dethick	Assistant Director - Finance and Resources (Section 151 Officer)
J Fieldsend	Legal Team Manager (non contentious)
A Kirkham	Planning Manager - Development Management
J Williams	Internal Audit Consortium Manager
D Stanton	Governance Officer

#### **AUD Apologies for Absence** **89/2**

**1-22** Apologies for absence were received from Councillors W Armitage, G Morley and K Tait.

#### **AUD Declarations of Interest** **90/2**

**1-22** Members were requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interest, in any item on the agenda and withdraw from the meeting at the appropriate time.

No declarations were made at this meeting.

#### **AUD Minutes of Last Meeting** **91/2**

**1-22** RESOLVED – That the Minutes of the meeting of the Audit and Corporate Governance Scrutiny Committee held on 12 January 2022 be approved as a correct record and signed by the Chair.

#### **AUD Verbal Update from Planning Manager - Development Management and Legal Team Manager in regard to Section 106 Agreements** **92/2** **1-22**

The Committee welcomed the Planning Manager and the Legal Team Manager to the meeting to discuss section 106 agreements.

Members were informed that section 106 payments were made to developers once certain triggers had been met. It was stated, for example, that this could be the number of dwellings occupied. If payments were not made by the

developers in a timely fashion then a reminder letter would be sent by Planning. It would then be referred to the Council's Legal Team if no response had been received.

The Committee discussed the current procedures in place and enquired as to how the Council could tighten those up to ensure more timely payment and attempt to pre-empt any difficulties.

The Legal Team Manager advised that the Council could not chase payments from developers before the trigger had been met, and that whilst it could reduce the threshold of any trigger point, it could not ask for something unreasonable. It was stated, for example, that this could be asking for payments before any dwellings had been occupied as it could cause cash flow issues for the developer. Members noted that each section 106 agreement was determined on its own merits and that applications could not be refused based on the reputation of a developer.

The Committee agreed that companies dissolving were causing issues for the Council when collecting payments, and that they would expect reputable companies to honour any agreement.

Members requested that a report be brought back to the Committee that explored options as to how the Council could tighten up its procedures and ascertain to secure more funds. The Planning Manager agreed to work with colleagues at Derbyshire County Council and other local authorities to see what could be done differently at the Council.

Members agreed that the report should outline what the law currently was, what the Council was currently doing, a detailed explanation as to how payments were collected, how other council's currently operated, and an overview of best practice. The Committee requested that this report be presented to Members at the July meeting of the Committee.

RESOLVED – That the update be noted and a report be brought to the Committee outlining further options.

### **AUD Risk Management Quarter 3**

**93/2**

**1-22**

The Managing Director was present at the meeting to update Members of the current position regarding Risk Management arrangements and the Strategic Risk Register as at February 2022.

The Committee discussed a number of emerging threats including the invasion of Ukraine and the need for the Council to be vigilant in the event of cyber-attacks from Russia, and the financial pressures to the Authority from the cost of living crisis.

Members noted that the Strategic Risk Register would be refreshed to consider new and emerging threats.

RESOLVED – That

1. The report be noted.
2. A revised report be submitted to the Committee which considered threats to the Council and its partners.

**AUD** **Performance Management Quarter 3**

**94/2**

**1-22**

Members welcomed the Engagement and Performance Manager to the meeting to report the Quarter 3 outturns for the Council Plan 2019-23 targets.

It was stated that out of the 80 targets, 42 were on track; 4 had been affected by covid; 1 achieved this quarter and 24 achieved previously; 1 was overdue; 5 had been placed on alert; and 3 had been recommended for withdrawal at Cabinet.

The Committee enquired about staffing issues in some departments and what was being done to address the high vacancy rate. The Assistant Director of Finance and Resources confirmed that a benchmarking exercise would be done to determine whether the Council's remuneration was competitive when compared with other authorities.

Members also discussed targets relating to climate change, communications, and efficiency savings.

RESOLVED – That the quarterly outturns against the Council Plan 2019-23 targets be noted.

**AUD** **Monitoring of the Implementation of Internal Audit Recommendations**

**95/2**

**1-22**

The Committee received a report which provided a summary of the internal audit recommendations made and implemented for the financial years 2018/19 – 2021/22 to date.

RESOLVED – That the report be noted.

**AUD** **Proposed Accounting Policies 2021/2022**

**96/2**

**1-22**

The Assistant Director of Finance and Resources presented a report which requested the Committee's approval of the accounting policies that it was proposed to adopt for the current financial year in the preparation of the statement of accounts 2021/22.

Members noted the proposed changes to the CIPFA code of conduct.

The Committee expressed its disappointment in regards to the lack of detail given in the budget into how efficiency savings were to be made. The Assistant Director of Finance and Resources explained that the efficiency plan will form part of the budget monitoring from April. This would be brought to the Committee in due course.

RESOLVED –

1. That the Committee approve the accounting policies.
2. That the report be noted.

**AUD** **Corporate Debt Quarter 3**

**96/2**

**1-**

**221**

The Committee received a report which presented a summary of the corporate debt position as at 31 December 2021.

Members discussed HRA, overpaid housing benefit and universal credit.

RESOLVED – That the report be noted.

**AUD** **Budget Monitoring Quarter 3**

**97/2**

**1-22**

The Assistant Director of Finance and Resources presented a report which summarised the budget position for the third quarter of 2021/22 which would be presented to Cabinet at its meeting on 03 March 2022.

Members noted that from April, the budget monitoring would include the efficiency plan.

RESOLVED – That the report be noted.

**AUD** **Discussion on Review of Allocation of Financial Resources for Parking/Land Reviews**

**98/2**

**1-22**

The Committee discussed car parking in the District following the Parking Strategy that had recently been approved by Cabinet.

Members enquired about the criteria for sites chosen as part of the initial pilot scheme and how priority areas were determined. They requested more transparency and rationale behind the decision making process, and for the appropriate officer to explain to the Committee how the process worked at the next meeting.

**AUD** **Committee Work Programme 2021-2022**

**99/2**

**1-22**

The Committee agreed to add one item to the 2021/22 Work Programme which was to consider an update in respect of the Parking Strategy and its pilot schemes. This would be considered at the next meeting in May.

A report on section 106 agreements would be added to the Work Programme for the new municipal year and would be considered in July.

RESOLVED – That the Work Programme be noted.

**AUD** **Forward Plan of Executive Decisions**

**100/**

**21-**

**22**

RESOLVED – That the Forward Plan of Executive Decisions be noted.

**AUD 101/21-22** **To consider any other item which the Chair is of the opinion should be considered as a matter of urgency.**

There were no urgent matters to be discussed at this meeting.

**AUD 102/21-22** **Date of Next Meeting**

The next scheduled meeting of Audit and Corporate Governance Scrutiny Committee is on 11 May 2022.