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## **Governance & Resources Committee**

**Minutes of a Governance & Resources Committee meeting held at 6.00 pm on Thursday, 15th February, 2024 in the Council Chamber, Town Hall, Matlock, DE4 3NN.**

### **PRESENT**

Councillor Nick Wilton - In the Chair

Councillors: Neil Buttle, Geoff Bond, Steve Flitter, David Hughes, Stuart Lees, Lucy Peacock, Simon Ripton and Roger Shelley

Lucy Harrison (Democratic Services Assistant), Tommy Shaw (Democratic Services Team Leader), Karen Henriksen (Director of Resources), Helen Mitchell (Director of Corporate and Customer Services (Monitoring Officer)), Alastair Newall (Mazars LLP), Deborah Unwin (Human Resources Manager) and Ashley Watts (Director of Community and Environmental Services)

Members of the Public: 5

### **Note:**

*"Opinions expressed or statements made by individual persons during the public participation part of a Council or committee meeting are not the opinions or statements of Derbyshire Dales District Council. These comments are made by individuals who have exercised the provisions of the Council's Constitution to address a specific meeting. The Council therefore accepts no liability for any defamatory remarks that are made during a meeting that are replicated on this document."*

### **312/23 - APPROVAL OF MINUTES OF PREVIOUS MEETING**

It was moved by Councillor Roger Shelley, Seconded by Councillor Simon Ripton and

### **RESOLVED**

That the minutes of the meeting of the Governance and Resources Committee held on 02 November 2024 be approved as a correct record.

### **Voting**

**08 For**

**00 Against**

**01 Abstention**

The Chair declared the motion **CARRIED**.

### **313/23 - PUBLIC PARTICIPATION**

Mr Paul Williamson (Local Resident), Ms Sarah Dines MP (MP for the Derbyshire Dales) and Councillor Dermot Murphy (Ward Councillor for Hulland) spoke on Item 12, Complaint Against the District Council, Lessons Learned and Moving Forward.

Ms Sylvia Jones spoke on Item 7, Fees and Charges.

### **314/23 - INTERESTS**

#### **Item 12 Complaint Against the District Council, Lessons Learned and Moving Forward**

The Director of Corporate and Customer Services declared a personal interest in Item 12 due to being a former employee of the Centre for Governance and Scrutiny.

### **315/23 - QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15**

#### **Question from Councillor Stuart Lees to Councillor Nick Wilton, Chair of the Governance & Resources Committee:**

*“Following the recent investigation into a complaint made to Derbyshire Dales District Council What is the district council going to do with regards to improving itself and how is this to be done publicly.”*

**Councillor Nick Wilton provided the following response.**

#### **RESPONSE:**

The item relating to the complaint and actions to be taken forward is on the agenda today for discussion and agreement amongst Members. There are clear recommendations in that report in respect of an action plan to address where we, as a Council, have fallen short and a suggestion of a governance review.

#### **Question from Councillor Susan Hobson to Councillor Nick Wilton, Chair of the Governance & Resources Committee:**

*“My request to the Leader, Councillor Steve Flitter, to have this report discussed, openly and transparently, at Full Council was denied.*

*All Councillors were informed that this matter would be discussed at an EXTRAORDINARY meeting of this committee.*

*This report is instead being discussed by 9 Councillors tonight at Item 12 on a packed agenda, following a lengthy statement from Derbyshire Dales District Council this weekend.*

*Can you explain how Derbyshire Dales residents can have confidence in this process?”*

**Councillor Nick Wilton provided the following response.**

## **RESPONSE:**

The Council's Constitution is a document agreed by Members and Members have chosen to give responsibility for matters of governance, corporate complaints and HR to this Committee and to these 9 Members. This is precisely the right place for a conversation on improving the Council's governance.

Cllr Hobson is accurate, it was the plan to call an extraordinary meeting to discuss the lessons learned from the complaint against the district council. On reflection, it was better to bring the issues set out in the covering report to the attention of Members sooner than that. This planned meeting of the Committee has been in the calendar for many, many months and it was reasonable to assume that all the Committee's Members would be able to attend because of the notice given. Items that should have come to this meeting that were considered non essential have been deferred to next month's meeting to provide additional room on the agenda for discussion.

As chair, I was supportive of considering this report at this meeting. As mentioned previously it was already fixed in the diary and I was keen that this be considered at the most immediate session reasonably practicable. I felt that if it were to be considered during an extraordinary meeting, this would have risked further delay which I did not think was appropriate.

The public can take confidence from this Council pro-actively sharing a report into the investigation and a covering note with Members and the wider public via this agenda. Secondly, that we should be able to have a full conversation about moving forward as a Council in public and thirdly, that, subject to a decision Members may wish to make, we have committed to returning to the Committee next month with an update on any exploratory conversations that the Director of Corporate and Customer Services has with the LGA.

### **316/23 - EXTERNAL AUDITOR'S COMPLETION REPORT AND ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

The Director of Resources introduced a report summarising work undertaken and the key findings arising from the external auditor's work in relation to the Authority's financial statements for 2022/23. Members were asked to note the reports from the external auditor prior to approving the Council's Statement of Accounts. The external auditor, Alastair Newall from Mazars LLP, attended the meeting to take Members' questions on the reports.

Due to resource constraints on both sides, there had been a delay in the preparation of the financial statements and the completion of the external audit of the Statement of Accounts for 2022/23. It was noted that Members may recall that the deadline of 30 November 2022 for the 2021/22 financial statements was also missed. The 2021/22 accounts, with the audit certificate, were published on 20 September 2023. Members were informed that this was not unusual, when compared to other authorities for this financial year, as many other authorities had been unable to meet the publishing deadline as noted in section 1.3 of the report.

It was moved by Councillor Steve Flitter, seconded by Councillor David Hughes and

**RESOLVED** (unanimously)

1. That the External Auditor's "Audit Completion Report for the year ended 31 March 2023" be received.
2. That the "Draft Auditor's Annual Report for the year ended 31 March 2023" be received.
3. That, subject to the approval of Public Sector Audit Appointments Limited, the additional audit fees of £17,500 (over the scale fee) in respect of work on the 2023/23 financial statements be approved.

The Chair declared the motion **CARRIED**.

**317/23 - LETTER OF REPRESENTATION 2022/23**

The Director of Resources introduced a report requesting that Members consider and endorse the draft Letter of Representation as part of their responsibility for approving the financial statements for 2022/23.

The report informed Members of the requirement within the International Standard on Auditing (U.K. & Ireland) 580 (ISA 580), for the external auditor to obtain evidence that the Council's management acknowledges its responsibility for the fair presentation of the financial statements in accordance with the applicable financial reporting framework and has approved the financial statements. The auditor could obtain evidence of management's acknowledgement of such responsibility by obtaining a written representation from management and a signed copy of the financial statements.

The Letter of Representation had been prepared in accordance with guidance and was given in Appendix 1. The letter contained no matters of concern which needed to be brought to the attention of Members.

It was noted that there was one uncorrected misstatement that has been identified by the external auditor. This was described in Appendix A to the letter, with the reason as to why it was not corrected.

It was moved by Councillor Simon Ripton, seconded by Councillor Stuart Lees and

**RESOLVED** (unanimously)

1. That the Letter of Representation be endorsed for signature.

The Chair declared the motion **CARRIED**.

**318/23 - STATEMENT OF ACCOUNTS FOR 2022/23**

The Director of Resources introduced a report providing interpretation of the Statement of Accounts for 2022/23 and highlighted the key issues. The report also requested approval of the Statement of Accounts for 2022/23.

The Statement of Accounts 2022/23, shown as Appendix 2 to the report, had been audited by the Council's External Auditors, Mazars LLP. The significant findings of the audit were set out in the report and in the Audit Completion Report. The external auditor identified two

misstatements that were accepted by management and subsequently corrected in the financial statement, and one unadjusted misstatement.

The overall financial position as at the 31<sup>st</sup> March 2023 remained the same as that included within the Draft Statement of Accounts and reported to Council in July 2023.

It was moved by Councillor Steve Flitter, seconded by Councillor David Hughes and

**RESOLVED** (unanimously)

1. That the Statement of Accounts for 2022/23 is approved.

The Chair declared the motion **CARRIED**.

### **319/23 - COMPLAINT AGAINST THE DISTRICT COUNCIL, LESSONS LEARNED AND MOVING FORWARD**

The Director of Corporate and Customer Services introduced a report detailing the summary findings and wider organisational learnings following a complaint submitted to the Council in September 2023 which was shared with all 34 Members of the District Council. Following a rigorous independent investigation, none of the ten allegations were fully upheld.

There were, however, a series of relevant and timely learnings for the Council based on the four allegations that were partially upheld, wider findings by the investigating officers and overall context of decision making at the District Council.

The Investigation led to the creation of a detailed report. The areas of the report that directly related to the allegations made and how the Council would learn were shared with the complainants (as is customary). A redacted version of the report was enclosed at Appendix 1. It had been redacted in accordance with the Council's approach to sound information management, regard for legislation governing personal data and tests to public interest.

It was moved by Councillor Steve Flitter, seconded by Councillor David Hughes and

**RESOLVED**

1. That this report and the action plan be agreed;
2. That the Committee agrees to explore a review of its governance arrangements with an external partner and report back to Committee at its next meeting.

### **Voting**

**08 For**

**01 Against**

**00 Abstentions**

The Chair declared the motion **CARRIED**.

### **320/23 - TREASURY MANAGEMENT MID-YEAR REPORT 2023/24**

The Director of Resources introduced a report summarising Treasury Management activities for the first six months of 2023/24 and sought approval for the Treasury Management Mid-Year report for 2023/24.

It was noted that the Council had long adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which required the Authority to approve, as a minimum, treasury management semi annual and annual outturn reports.

The report included the new requirement in the 2021 Code, mandatory from 1<sup>st</sup> April 2023, of quarterly reporting of treasury management prudential indicators. The results from the first two quarters of 2023/24 were detailed in the report.

The Authority's Treasury Management Strategy for 2023/24 was approved at a meeting on 2<sup>nd</sup> March 2023. The Authority had invested substantial sums of money and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remained central to the Authority's treasury management strategy.

It was moved by Councillor Steve Flitter, seconded by Councillor David Hughes and

**RESOLVED** (unanimously)

1. That the Treasury Management Mid-Year Report for 2023/24 be received and approved.

The Chair declared the motion **CARRIED**.

### **321/23 - FEES AND CHARGES FOR 2024/25**

The Director of Resources introduced a report which sought approval for proposed fees and charges for 2024/25 in respect of Community and Environmental Services, Corporate and Customer Services and Regulatory Services.

The Committee was asked to consider an annual review of the fees and charges for services provided across the Council. The Consumer Price Index (CPI) stood at 4.0% in December 2023, the last figures available at the time of writing the report.

It was noted that in recent years fees and charges had been increased, in general, by an amount that slightly exceeded inflation rates at the time. Charging above the current rate of inflation would generate higher levels of income in real terms and would assist in balancing the budget for 2024/25 given the significant inflationary increases on Council spending. It was also noted that increases higher than the current level of inflation may not be acceptable to the public due to the cost-of-living crisis and might result in customer resistance, leading to potential loss of income.

Appendices 1 -13 contained schedules of the existing and recommended charges.

It was moved by Councillor Steve Flitter, seconded by Councillor Simon Ripton and

**RESOLVED** (unanimously)

1. That the fees and charges recommended in Appendices 1 – 13 of the report are approved and implemented with effect from 1 April 2024, or as soon as practicable thereafter.
2. That the proposed charge for the interment in any grave of the body of a child whose age at the time of death exceeded one month but did not exceed 16 years, as listed in Appendix 3, page 42, section b, be reduced from £141.00 to £0.00.

The Chair declared the motion **CARRIED**.

**322/23 - DERBYSHIRE DALES CORPORATE PLAN: WORKING GROUPS**

The Director of Corporate and Customer Services introduced a report updating Members on the progress made by Corporate Plan Working Groups, established by Council on 14 December 2023, which were under the remit of the committee.

The Council, at its meeting on 14 December 2023, approved new Aims, Themes and Principles as the basis of the Derbyshire Dales Plan (Corporate Plan). Council also established cross-party working groups. Five Groups were established, one for each Theme of the Derbyshire Dales Plan. It was expected that Delivery Plans would be published alongside the 2024/25 budget at the Council meeting on 29 February.

Each working group was responsible to a 'parent' policy committee as detailed in section 1.5 of the report. Section 2 of the report gave an update on the financially sound, fair and responsive Council group. The Terms of Reference attached at Appendix 1 had been agreed.

It was moved by Councillor David Hughes, seconded by Councillor Lucy Peacock and

**RESOLVED** (unanimously)

1. That the report is considered and the areas of focus for the corporate plan be endorsed.

The Chair declared the motion **CARRIED**.

**323/23 - REVIEW OF THE WHISTLEBLOWING POLICY**

The Director of Corporate and Customer Services introduced a report providing an overview of the proposed implementation of a revised Whistleblowing Policy and sought approval and adoption of the revised policy.

The Council maintained a Whistleblowing Policy and Procedure which outlined the legal obligations the Council was under pursuant to the Employment Rights Act 1996, as amended.

The Council's existing Whistleblowing Policy was published in 2008. The last review of the policy was approved by the Committee in 2015. On this basis, the former Director of Corporate and Customer Services undertook a review of the policy and decided that an updated policy would be drafted based on that review.

The draft Whistleblowing Policy was attached at appendix 1 to the report. If this was adopted, it would replace the Council's existing Whistleblowing Policy and would apply to all staff, members, consultants, partners, agency staff and contractors of Derbyshire Dales District Council.

It was moved by Councillor Roger Shelley, seconded by Councillor Geoff Bond and

**RESOLVED** (unanimously)

1. That the Whistleblowing Policy be approved.
2. That authority be delegated to the Director of Corporate and Customer Services, in consultation with the Chair of the Governance and Resources Committee, to review and make minor amendments to the Whistleblowing Policy to reflect changes in legislation, statutory guidance or contact details when introduced.

The Chair declared the motion **CARRIED**.

**Meeting Closed: 7.54 pm**

**Chair**