

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

Minutes of a hybrid meeting of the Audit and Corporate Overview Scrutiny Committee of the Bolsover District Council held in the Council Chamber on Thursday 20th January 2022 at 1400 hours.

In order to comply with current health and safety requirements due to Covid 19, the meeting was being held as a hybrid meeting.

As the annual Council Budget proposals were on the agenda for consideration prior to submission to Executive and Council, those Scrutiny Members who were not formally on the Audit and Corporate Overview Scrutiny Committee had been invited to this meeting in accordance with the Council's Constitution. These agenda items were item 8 - Treasury Management Briefing from Arlingclose, item 9 - Medium Term Financial Plan 2022/23 to 2025/26, and item 19 - Treasury Strategy Reports 2022/23 to 2025/26). These Scrutiny Members could ask questions on items 8, 9 and 19, and partake in any discussion, however, they had no voting rights on any items on the agenda. Further, due to legislation at the time of this meeting, those Members joining the meeting remotely via zoom were not classed as being 'present' in the meeting and their attendance would not be recorded on the Council's website.

### **PRESENT IN THE COUNCIL CHAMBER:-**

#### ACOSC Members:-

Councillor Tom Munro in the Chair

Councillors Donna Hales, Tom Kirkham, Graham Parkin, Peter Roberts.

Also in attendance in the Council Chamber was Councillor Clive Moesby (Portfolio Holder for Finance and Resources).

#### Scrutiny Members not on ACOSC:-

Councillors Ray Heffer (from Minute No ACO51-21/22), Natalie Hoy, David Dixon and Rita Turner.

Officers:- Theresa Fletcher (Assistant Director of Finance & Resources/Section 151 Officer) and Alison Bluff (Governance Officer).

### **VIA ZOOM :-**

#### ACOSC Coopted Member:-

Ruth Jaffray.

#### Scrutiny Members not on ACOSC:-

Derek Adams, Nick Clarke, Maxine Dixon, Andrew Joesbury, Evonne Parkin and Janet Tait.

Officers: - Joanne Wilson (Scrutiny & Elections Officer) and Claire Bamford (Principal Accountant).

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

Also in attendance via zoom were Mike Norman (Mazars), and Stephen Kitching and Paul Roberts (Arlingclose).

The Chair requested to make the following announcement to the meeting;

Members were aware of the shocking events which had taken place on 14<sup>th</sup> January 2022, which had led to the death of ex District Councillor Ken Walker's wife, Freda, and serious life threatening injuries to Ken. The Chair requested that the meeting stand for one minutes silence in respect of Freda and Ken and their family, and also for the wider communities of Langwith Junction and Shirebrook.

### **ACO43-21/22 APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of:

#### ACOSC Members:-

Councillors Chris Kane, Jane Bryson and Ross Walker.

#### Scrutiny Members not on ACOSC:-

Councillors Allan Bailey, Rose Bowler, Dexter Bullock, Tracey Cannon, Anne Clarke, Jim Clifton, Tricia Clough, Paul Cooper, Stan Fox, Jenny Wilson and Dan Salt.

### **ACO44-21/22 URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **ACO45-21/22 DECLARATIONS OF INTEREST**

Councillor Graham Parkin declared a disclosable pecuniary interest in agenda item 9 – Medium Term Financial Plan 2022/23 to 2025/26, agenda item 19 - Treasury Strategy Reports 2022/23 to 2025/26, as he held shares in Lloyds Bank who were also the Council's banking provider.

### **ACO46-21/22 MINUTES**

Moved by Councillor Tom Munro and seconded by Councillor Graham Parkin  
**RESOLVED** that the Minutes of an Audit and Corporate Overview Scrutiny Committee meeting held on 25<sup>th</sup> November 2021 be approved as a correct record.

### **ACO47-21/22 LIST OF KEY DECISIONS AND ITEMS TO BE CONSIDERED IN PRIVATE**

Committee considered the List of Key Decisions and items to be considered in private

## AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE

document.

Moved by Councillor Tom Munro and seconded by Councillor Graham Parkin  
**RESOLVED** that the List of Key Decisions and items to be considered in private document be noted.

### **ACO48-21/22      REPORT OF EXTERNAL AUDITOR - AUDITOR'S ANNUAL REPORT - 2020/21**

Committee considered the Auditor's Annual Report 2020/21.

The Auditor's Annual report summarised the work undertaken by Mazars, the Council's external auditors, for the year ended 31<sup>st</sup> March 2021. Although the report addressed the Council, it was also a document for the public and other external stakeholders.

The purpose of Mazar's audit was to provide reasonable assurance that the Council's financial statements were free from material error. This was carried out by Mazar's expressing their opinion as to whether the statements were prepared in line with the financial reporting framework applicable to the Council, and whether they gave a true and fair view of the Council's financial position as at 31<sup>st</sup> March 2021, and of its financial performance for the year ended.

Draft accounts had been received by Mazar's well in advance of the revised statutory deadlines and were of a good quality. The accounts were supported by high quality working papers and Mazar's had received full cooperation from the Council's Finance team who had responded to queries on a prompt basis.

The detailed report highlighted the following;

Internal Controls – based on the audit work carried out, no significant control deficiencies had been identified.

Value for Money: Financial Sustainability – Mazar's were satisfied that there was no significant weakness in the Council's arrangements in relation to financial sustainability.

Value for Money: Governance – Mazar's were satisfied that there was not a significant weakness in the Council's arrangements in relation to governance.

Value for Money: Improving Economy, Efficiency and Effectiveness – Mazar's were satisfied that there was not a significant weakness in the Council's arrangements in relation to improving economy, efficiency and effectiveness.

The audit had been carried out remotely and Mazar's had also appreciated the cooperation and support of the Council's managers during the audit.

The Chair noted that the report was a positive report with no criticism from Mazar's. He requested that his thanks to the Section 151 Officer and the finance team be recorded in the Minutes.

Moved by Councillor Tom Munro and seconded by Councillor Graham Parkin  
**RESOLVED** that the Auditor's Annual report 2020/21 be noted.

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

### **ACO49-21/22 REPORT OF EXTERNAL AUDITOR - EXTERNAL AUDIT PROGRESS REPORT**

Committee considered a detailed report of the Council's external auditors, Mazars, which provided an update on their progress in delivering;

- the 2020/21 audit and assurance work,
- the 2021/22 audit planning process,
- a summary of recent relevant reports and publications from;
  - CIPFA,
  - the Department for Levelling Up, Housing and Communities
  - the National Audit Office for Member's information.

Moved by Councillor Tom Munro and seconded by Councillor Donna Hales  
**RESOLVED** that the report be noted.

### **ACO50-21/22 TREASURY MANAGEMENT BRIEFING - ARLINGCLOSE**

Members received a slide presentation from Arlingclose, the Council's Treasury Management advisors, which provided a detailed overview on treasury management.

The Chair thanked Stephen Kitching and Paul Roberts from Arlingclose for a detailed presentation which would be circulated to members via email. If any Members had any questions regarding the presentation, these could be directed to Arlingclose or through the Assistant Director of Finance & Resources.

Moved by Councillor Tom Munro and seconded by Councillor Donna Hales  
**RESOLVED** that the presentation be noted.

### **ACO51-21/22 MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2025/26**

Members considered a detailed report and slide presentation in relation to the proposed budget 2022/23, for the General Fund, Housing Revenue Account and Capital Programme, as part of the Council's Medium Term Financial Plan, covering the years 2022/23 to 2025/26.

In particular financial projections were provided for:

- 2021/22 Current Budget Position – this was the current year budget, revised to take account of changes during the financial year that would end on 31<sup>st</sup> March 2022.
- 2022/23 Original Budget – this was the proposed budget for the next financial year, on which the Council Tax would be based, and would commence from 1<sup>st</sup> April 2022.
- 2022/23 Original Budget, this included proposed increases to rents and fees and charges for the next financial year for the Housing Revenue Account.

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

- 2023/24 to 2025/26 Financial Plan – In accordance with good practice the Council agreed its annual budgets within the context of a Medium Term Financial Plan (MTFP). This included financial projections in respect of the next three financial years.

In response to a question from Councillor Roberts regarding Consumer Price Index percentage (CPI) increasing to 7%, plus 1%, and the impact this would have on Council dwelling rents, the Assistant Director of Finance & Resources explained that it would be the CPI percentage set in September by the Government that would be used to set dwelling rents, plus 1% and this may not necessarily be 7%.

Councillor David Dixon queried the reason for the dip in the forecast for housing expenditure for 2023/24. The Assistant Director of Finance & Resources replied that she would look at this in more detail and inform Members of the reason.

In response to a question from Councillor Tom Kirkham in relation to the Government's Levelling Up agenda, the Assistant Director of Finance & Resources replied that the Council was currently unsure of what impact this would have on the Council's finances.

The Chair thanked the Assistant Director of Finance & Resources for her presentation and report.

Moved by Councillor Tom Munro and seconded by Councillor Ray Heffer  
**RESOLVED** that the report be noted.

### **ACO52-21/22      TREASURY STRATEGY REPORTS 2022/23 - 2025/26**

Members considered a detailed report and slide presentation in relation to the Council's suite of Treasury Strategies for 2022/23 to 2025/26.

As part of the requirements of the CIPFA Treasury Management Code of Practice, the Authority was required to produce each year, a Treasury Management Strategy and Capital Strategy which required approval by Council prior to the commencement of each financial year.

The following strategies provided an approved framework within which officers undertook day to day capital and treasury activities;

- The Treasury Management Strategy provided the framework for managing the Authority's cash flows and borrowing and investments.
- The Capital Strategy was intended to provide a high level, concise overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of the Authority's services.
- The Corporate Investment Strategy focused on investments made for service purposes and commercial reasons rather than those made for treasury management.

In response to a question from Councillor David Dixon regarding assessment of risk, the Principal Accountant explained that Arlingclose's opinion would be sought and fed back

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

to officers and Members for consideration.

The Chair thanked the Principal Accountant for her presentation and report.

Moved by Councillor Tom Munro and seconded by Councillor Ray Heffer  
**RESOLVED** that the report be noted.

### **ACO53-21/22      AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE WORK PROGRAMME 2021/22**

Committee considered their work programme 2021/22.

The Self-Assessment for Effectiveness item would be presented to the February meeting of the Committee.

The Portfolio Holder noted that as agreed at the last meeting that Members would raise the profile of discretionary housing payments - A3 posters had been produced for Members and these had been placed in their local community centres.

Moved by Councillor Tom Munro and seconded by Councillor Donna Hales  
**RESOLVED** that the work programme 2021/22 be noted.

### **ACO54-21/22      UPDATE FROM SCRUTINY CHAIRS (VERBAL REPORT)**

#### Climate Change & Communities Scrutiny Committee

Councillor Nick Clarke, Chair of Climate Change & Communities Scrutiny Committee, presented the following update to the meeting.

The Climate Change & Communities Scrutiny Committee had agreed at its first meeting that for its Review work this year, Members would continue the review work that had been started by the former Healthy, Safe, Clean & Green Communities Scrutiny Committee. One was in relation to the Council's policy on Sky Lanterns and Helium Balloons and one in relation to the Council's policy on Fireworks. A draft report on the Review of the Council's Policy on Fireworks had now been considered and was due to complete at the next meeting.

While this work had been in the background, Members had been focusing on their main review looking at the Council's Voluntary Community Sector (VCS) Grant Allocation Scheme. This had not been reviewed for some time and the impact of the pandemic had highlighted that demand in certain service areas was now greater than before. Members had a number of detailed conversations with the Partnerships Team and were assessing how grants were determined, alignment to the Council's Ambitions, the evaluation and performance monitoring process, emerging needs as a result of the pandemic, and future requirements in relation to governance and transparency of the scheme.

Within the main public sessions, Committee had considered a number of reports this year including;

- Licensing Policies out to consultation covering Mandatory CCTV in Taxi's and a

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

review of the main Taxi and Private Hire Policy

- The annual monitoring update on the Health & Wellbeing Framework covering the 2020/21 year. Specific discussions took place around employee support, mental health, sickness (particularly the change in figures for 2021/22) and home working.
- Consultation on an amended Licensing Policy (as per the Council's approach to Policy/Strategy development including consultation with scrutiny).
- Annual Monitoring Update on Sustainable Community Strategy 2020-23 and current Partnership delivery

Members were due to consider Delivery of Leisure Service post Covid-19 and the annual Review of the Community Safety Partnership.

### Local Growth Scrutiny Committee

On behalf of Councillor Jenny Wilson, Chair of the Local Growth Scrutiny Committee, Councillor Tom Munro presented the following update;

At the first two meetings of the new Local Growth Scrutiny Committee last year, Members had detailed discussions around the integration of Social Value in Council Policy and Delivery. This was subsequently chosen as a review topic for the year.

To date, Members had looked at how social value could be integrated in to Council delivery; a potential draft structure for a Social Value Strategy; the requirements of social value outcomes as part of the Council's procurement processes; Social Value Indicators which could be integrated in to the Council's Business Growth Strategy, and were aware of the scope for other service areas to expand this work further in the future. The next stage was to look at potential software systems that would allow the Committee to evaluate the Council's social value outcomes.

Committee had considered a number of reports this year including;

- Q1 and Q2 Monitoring Updates on the Business Growth Strategy
- A progress update on the Council's Garage sites, the current status of the sites and future plans
- an update on the impact of Covid-19 on the local economy

Members were due to receive Q3 and Q4 monitoring updates on the Business Growth Strategy; and an update on progress at the former Coalite site.

### Customer Services Scrutiny

On behalf of Councillor Rose Bowler, Chair of the Customer Services Scrutiny Committee, Councillor Tom Munro presented the following update;

At the first meeting, as the new Customer Services Scrutiny Committee in August, Members received a briefing on the Council's adapted accommodation following an earlier report to Executive and a recommendation for review by Scrutiny. A review scope had been agreed and the Committee was progressing this piece of work.

A number of briefings had been received from Housing officers in relation to the current approach to adapted accommodation; assessed what policy amendments and new

## **AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE**

policies may be required, and this had resulted in the production of a draft Adaptations Policy.

The review was also looking at how the Council's stock was currently mapped/analysed to ensure that where new stock was built, it was placed in areas that matched the tenant/resident profile.

Discussions had taken place in relation to mobility scooters and other access issues and how the Council worked with DCC on their assessments.

Committee had also considered a number of reports this year including;

- Consultation on the proposed revision to the Tenant Alteration & Improvement Policy
- Consultation on the Housing Rechargeable Repairs Policy
- Consultation on the North Derbyshire Rough Sleeper Strategy 2021-2023
- Customer Service Standards and Compliments, Comments and Complaints Annual Report 2019/20
- LG&SCO and Housing Ombudsman Annual Report 2019/20

Members were due to consider the Q1/Q2 Customer Standards and Complaints report and would also be receiving monitoring updates on the Housing Strategy and the work of the Transformation Governance Group.

The meeting concluded at 1620 hours.