

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

Minutes of a meeting of the Audit and Corporate Overview Scrutiny Committee of the Bolsover District Council held in the Council Chamber on Tuesday 15<sup>th</sup> February 2022 at 1400 hours.

### **PRESENT:-**

Councillor Tom Munro in the Chair

Councillors Chris Kane, Tom Kirkham (to Minute No. ACO64-21/22), Graham Parkin, Peter Roberts and Coopted Member Ruth Jaffray.

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

Officers:- Theresa Fletcher (Assistant Director of Finance & Resources/Section 151 Officer), Jenny Williams (Internal Audit Consortium Manager), Kath Drury (Information, Engagement & Performance Manager), Joanne Wilson (Scrutiny & Elections Officer) and Alison Bluff (Governance Officer).

### **ACO55-21/22 APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Jane Bryson and Donna Hales.

### **ACO56-21/22 URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **ACO57-21/22 DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **ACO58-21/22 MINUTES**

Members were advised that the Minutes of the Audit and Corporate Overview Scrutiny Committee held on 20<sup>th</sup> January 2022 would be presented to the next meeting.

### **ACO59-21/22 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 document.

Moved by Councillor Chris Kane and seconded by Councillor Graham Parkin

**RESOLVED** that the List of Key Decisions and items to be considered in private document be noted.

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### **ACO60-21/22 REPORT OF INTERNAL AUDIT - SUMMARY OF PROGRESS ON THE INTERNAL AUDIT PLAN**

Committee considered a report which provided an update on progress on the 2021/22 Internal Audit Plan.

Appendix 1 to the report provided a summary of 8 reports issued between the end of August 2021 and the end of January 2022, and showed for each report the level of assurance given and the number of recommendations made / agreed where a full response had been received.

Out of the 8 reports, 6 had been issued with substantial assurance and 2 with reasonable assurance.

Appendix 2 to the report provided full details of the audits completed and audits in progress in respect of 2021/22. However, some audits would need to be deferred to the 2022/23 financial year.

The Chair and the Portfolio Holder for Finance and Resources thanked the Internal Audit Consortium Manager and her team for the audit work carried out during the Covid pandemic.

Moved by Councillor Tom Munro and seconded by Councillor Chris Kane  
**RESOLVED** that the report be noted.

### **ACO61-21/22 IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS**

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

Internal Audit made recommendations to improve the governance, risk and control processes in place. It was important to monitor the implementation of these recommendations to improve the control environment and to reduce the risk of fraud and error

Appendix 1 to the report provided an analysis of the number of recommendations made and implemented for the financial years 2018/19 – 2021/22 to date. The table also summarised the number of recommendations that had been implemented and those that were outstanding. No high priority recommendations were outstanding, however, there were 4 medium priority recommendations from 2019/20, and 2 from 2020/21 still outstanding.

Moved by Councillor Graham Parkin and seconded by Councillor Chris Kane  
**RESOVLED** that the report be noted.

### **ACO62-21/22 EXTERNAL REVIEW OF INTERNAL AUDIT - ACTION PLAN PROGRESS**

Committee considered a report which provided a progress update in respect of

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implementing recommendations arising from the external review of internal audit. Appendix 1 to the report detailed the recommendations made by the external reviewer, the proposed action and an update of the progress achieved so far.

Some recommendations had already been implemented and others were in progress. A number of the recommendations would be implemented from the 2022/23 financial year in order to avoid changing systems mid-year and also to provide time to train staff.

The main focus of the recommendations related to ensuring that internal audit continued to increase their focus on risk and align to the Council's risk appetite.

In order to do this, Internal Audit had aligned its assurance levels and recommendation priorities to the risk levels within the Council's Risk Management Strategy. The likely impact of this was that there would be more low priority recommendations as the Council's risk appetite, as defined in its Strategy, was higher than Internal Audit's current definitions. A medium internal audit recommendation would be more significant than at present.

All Internal Audit's documentation had been reviewed and updates had been made to the scoping document, audit test schedule and report template, to further embed risk management throughout the audit process.

A further update on progress would be presented to a future meeting of the Committee as part of the 2021/22 Internal Audit Annual Report.

Moved by Councillor Graham Parkin and seconded by Councillor Chris Kane  
**RESOLVED** that the report be noted.

### **ACO63-21/22      AUDIT & CORPORATE OVERVIEW COMMITTEE - SELF-ASSESSMENT FOR EFFECTIVENESS**

In 2018, CIPFA produced some practical guidance for Local Authorities and Police, which included a self-assessment of good practice.

The self-assessment provided a high-level review that incorporated the key principles set out in CIPFA's Position Statement and publication.

Where an audit committee had a high degree of performance against the good practice principles, then it was an indicator that the committee was soundly based and had in place a knowledgeable membership. These were the essential factors in developing an effective audit committee.

In November 2019, the Committee undertook a self-assessment with an action plan being presented to the January 2020 meeting. Unfortunately, due to the pandemic the action plan was not followed up.

It was now proposed that the new Audit and Corporate Overview Scrutiny Committee undertake the self-assessment and a new action plan be produced.

The Chair noted that questions 19, 23 to 25 of the self-assessment were important and it should be identified in a brief but precise Action Plan how feedback from Members not on

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the Committee would be obtained. He added that an Annual Report of the Committee should be undertaken and presented to Members at Annual Council.

Moved by Councillor Tom Munro and seconded by Councillor Graham Parkin

**RESOLVED** that (1) the CIPFA guidance for Local Authority Audit Committees be noted,

(2) following the completion of the self-assessment as undertaken at this meeting, an Action Plan be presented to the next meeting of the Committee.

(Head of Finance and Resources/Governance Manager)

Councillor Tom Kirkham left the meeting at this point.

### **ACO64-21/22      ACCOUNTING POLICIES 2021/22**

Committee's approval was sought in relation to accounting policies that would apply in the preparation of the Statement of Accounts for 2021/22.

The accounting policies adopted by the Council determined the accounting treatment that was applied to transactions during the financial year and in the preparation of the Statement of Accounts at the year end. They determined the specific principles, bases, conventions, rules and practices that would be applied by the Council in preparing and presenting its financial statements. The accounting policies were published within the Statement of Accounts document in accordance with the Code of Practice on Local Authority Accounting and incorporated the requirements of International Financial Reporting Standards (IFRS).

The approval of the accounting policies to be applied by the Council demonstrated that due consideration was being given to which policies to adopt and apply, and that those charged with governance were fully informed prior to the commencement of the Statement of Accounts preparation of the policies that were being adopted.

The accounting policies were set out at Appendix 1 to the report.

Moved by Councillor Chris Kane and seconded by Councillor Graham Parkin

**RESOLVED** that the accounting policies as detailed at Appendix 1 to the report be approved.

### **ACO65-21/22      CORPORATE AMBITIONS PERFORMANCE UPDATE - OCTOBER TO DECEMBER 2021 (Q3 - 2021/22)**

Committee considered a report in relation to the Quarter 3 outturns (October to December 2021) for the Council's Ambition targets 2020-2024.

Out of the 31 targets:

- 19 (61%) were on track
- 1 (3%) continued to be affected by Covid 19
- 4 (12%) had been placed on alert (as unlikely to meet their outturns in 21/22)
- 7 (22%) achieved previously.

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Out of the 48 performance indicators:

- 29 (60%) had a positive outturn
- 5 (10%) had a negative outturn
- 7 (15%) continued to be affected by Covid 19
- 3 (6%) were within target
- 4 (8%) did not have data available

At the pre meeting, the following questions had been raised with regard to the targets on 'alert', and responses had been provided as per below;

### **CUS.07 - Reduce average relet times for standard voids (council properties) to 20 calendar days by March 2021 and maintain thereafter**

Quarter 3 Report update for the meeting:

The current relet time for a standard void is 84 days. In addition to the operational improvements being made. A report is going to the Employment Committee for a new post of Void Manager a post which for the first time would be responsible for the end to end process across both Housing Repairs & Management. This post will be focused on reviewing the current processes to ensure any delay is minimised and performance improved.

**Question 1 - with regard to the Voids Manager post, who will be their line manager? Will their role involve working for housing management and repairs?**

Response from Assistant Director for Property Services and Housing Repairs:

The Voids Manager will be line managed by Assistant Director for Property Services and Housing Repairs as the post is funded from the Repairs budget. They will report to the Head of Housing and Enforcement and the Assistant Director for Property Services and Housing Repairs because they will be managing the voids process from end to end across both service areas.

**Question 2 - it is noted that 20 working days for a standard/minor void is a long established target. Is the target still fit for purpose today? Is it realistic and how does it compare to other local authorities? What work is being undertaken to review this?**

Response from Assistant Director for Property Services and Housing Repairs and Head of Housing and Enforcement:

The 20 working days for a minor void is a target that both relevant AD's remain committed to achieving however the target date should be reviewed as it is unachievable at this present time.

Bolsover are part of a benchmarking group and what has always been apparent is that it is not as simple as monitoring turnaround days although there is obviously some value in this because other organisations undertake very different levels of repairs to properties whilst void. We have visited high performing (In terms of turn around) organisations with our tenants who were horrified at the lack of work

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undertaken.

That said both AD's recognise that our current performance is not where we'd like it to be hence the focus on voids since we started in post and the on-going improvements which are slowly being recognised in the lowering of turnaround times.

We have also been in communication with the performance team regarding benchmarking and these discussions continue. This team is seeking information from the East Midlands Performance Network.

### **ENV.03 - Achieve a combined recycling and composting rate of 50% by March 2023**

Quarter 3 Report update for the meeting:

Quarter 3 (2021\22) performance is estimated based on Q3 2019\20 Waste Data Flow figures at 2,702 tonnes of recyclable\ compostable materials collected, equating to a combined recycling and composting rate of 43.8%. This will be updated when the actual figures become available in January 2022.

Quarter 2 (2021\22) Actual recyclable\compostable material collected within this period was 4,205 tonnes as reported by way of Waste Data Flow, equating to a combined recycling composting rate of 44.9%. Highest actual during this Council plan period. Councils' are awaiting a new UK national strategy.

**Question - the highest outturn to date of 44.9% is noted together with the observation that the target outturn (ignoring Covid) has flat-lined. The update makes reference to a new national strategy being due in March 2022. Pending consideration of the new strategy on household waste, what options could be available to the Council for setting a new target and achieving that target?**

Response from Assistant Director for Streetscene;

This target is derived from the revised Waste Framework Directive (rWFD) requiring the UK to achieved 50% recycling by 2020 and homologated within the current UK Waste Strategy, which the UK in 2018\19 achieved 45.6% performance against the 50% EU rWFD target.

The Council's recycling performance is achieved from two particular areas; firstly, mixed dry recycling (MDR) from burgundy bin collections which has remained relatively static over the past several years contributing 21% (approx.) performance; and, secondly organic (garden\food) waste from green bins contributing between 21% to 23%; however, this can fluctuate dependent upon seasonal conditions such as extended cold periods and\or hot drought periods throughout summer which both reduce vegetative growth, impacting on our combined recycling performance which has plateaued around 41%.

Whilst MDR performance has remained relatively static over the past several years, we anticipated the next stepped improved performance would be influence by food (cooked) waste inclusion in green bin collections from 2014; hence, our 50% target being set to reflect the EU rWFD. However, due to resident's not wishing to place cooked food waste in green bins due to perception of maggots, flies and smells, we have had a low take-up\participation which has held back our performance.

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We undertook work with DCC to facilitate the use of 'corn starch' bags for presentation of food waste in green bins; however, due to issue with their composting they have now asked that we do not directly promote them due to concerns of treatment at the In-vessel Composting Facility (IVC) at which green bin waste is treated in Arkwright.

In respect of MDR (burgundy bin) collections, there are various factors which affect performance; for instance, certain packaging is becoming lighter (i.e. thinner gauge glass bottle) and the economy affecting residents' disposable income. Wider factors such as international markets (i.e. China, Vietnam, Malaysia) have also had an impact of material exports and/or their value; in particular, recent global events such as Covid-19 and BREXIT which have affected not only our recycling performance, but more recently having need to bring the service in-house due to our prior external provider going in to liquidation.

To improve the national recycling position, Government (Defra) undertook consultations in 2019 on the new UK Resource & Waste Strategy (URWS) which has two overarching objectives to (a) Maximise the Value of Resource Use and (b) Minimise Waste and its Impact on the Environment (Strategy Link).

Officers responded to the 4 consultations documents (10th May 2019) as follows:

1. Household & Commercial waste collection consistency proposals; within which include all households receiving free garden waste collections and separate weekly food waste collections.
2. Extended Producer Responsibility (EPR) proposals arising from which packaging producers/retailer would pay levies to meet its collection, reprocessing and/or treatment.
3. Deposit and Return Scheme (DRS) proposals arising from which refundable deposits on certain packaging (i.e. bottles/can) would be available to consumers from retailers.
4. Plastic Packaging Tax (PPT) extend plastic tax on carrier bags to other plastic type packaging.

This new strategy has been substantively influenced by the European Circular Economy Package which Government has incorporated and set out its implementation within scope of their Policy Statement at <https://www.gov.uk/government/publications/circular-economy-package-policy-statement/circular-economy-package-policy-statement>

It was anticipated outcome of URWS consultations would be informed early 2020; however, we are still awaiting details of this due to ongoing delays arising from BREXIT and Covid-19 which we are now informed should be in the spring of 2022; following which, we should be better able to understand any new or amended statutory instruments to empower new/changed duties on Councils in regard of waste collection influencing a detailed piece of work to re-model the Council's waste collection service to meet any new and/or amended duties (i.e. separate weekly food waste collections) and potential future mandatory recycling targets we would have to set in our future plans; which, raises consideration of reviewing our current 50% target in the interim period.

In relation to **ENV.06 - Increase the number of fixed penalty notices issued for litter and dog fouling offences by 20% over a five year period (2024/25)**, the Information, Engagement & Performance Manager advised the meeting that as previously reported, Environmental Health had experienced many resource issues where staff had left the Authority.

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### **ENV.08 - Bring 5 empty properties back into use per year through assistance and enforcement measures**

Three properties, one in Bolsover, one in Langwith and one in Whitwell, were all due to be brought back into use.

Through intervention from the West Lea Working Group, 2 long term empty properties were in the process of being brought back into use. The properties had previously been owned by a problematic landlord who has sold them due to the enforcement action being taken by the Council, to improve the area.

This target was left on 'alert' due to the number, however, the progress and work at West Lea made achieving the target more realistic.

### **CUS.09 - Increase participation/attendances in leisure, sport, recreation, health, physical and cultural activity by 3,000 per year.**

The Go Active facility had reopened fully on 19th July 2021 and outreach work commenced in schools and community sessions. To the end of Q3 - 183,672 users had been to sessions (against an original planned target of 264,750). Installation of new gym equipment and facility improvements would have affected the attendance figure in December 2021. Covid restrictions in Q1 and Q2 would affect this target for 2021/22.

Moved by Councillor Chris Kane and seconded by Councillor Graham Parkin  
**RESOLVED** that the report be noted.

## **ACO66-21/22      AUDIT & CORPORATE OVERVIEW SCRUTINY COMMITTEE WORK PROGRAMME 2021/22**

Committee considered the remainder of their work programme for 2021/22.

It was noted that the ACOSC meeting on 26th May 2022, would actually be the first ACOSC meeting of the new municipal year 2022/23.

The Chair requested that the Action Plan in relation to the self-assessment undertaken at this meeting be included on the work programme for the April meeting and also a draft Annual ACOSC report.

The meeting concluded at 1505 hours.