

## **Agenda Item 5**

### **Unconfirmed minutes – to be confirmed at the next meeting of the Committee**

#### **SOUTH DOWNS NATIONAL PARK AUTHORITY**

#### **GOVERNANCE COMMITTEE MEETING 24 JUNE 2014**

Held at the Memorial Hall, South Downs Centre, Midhurst at 11:30am.

Present:

David Burden            Lewis Doyle (Independent Member)            Norman Dingemans (Chair)  
Margaret Paren (ex officio)

Officers: Trevor Beattie (Chief Executive Officer), Hélène Rossiter (Director of Corporate Services), Andrew Lee (Directory of Strategy & Partnerships), Catherine Vaughan (Chief Finance Officer), Louise Reed (Deputy Monitoring Officer), Anne Rehill (Performance and Project Manager), Katherine Hale (Sustainable Tourism Officer), Debbie Hartman (Interim HR Manager), Jon Wayte (Health & Safety Advisor), Robin Parr (Governance and Support Services Manager) and Stella New (Member Services Support Officer)

#### **APOLOGIES**

32. Apologies were received from Gary Marsh and Sue Saville.

#### **DECLARATIONS OF INTEREST**

33. There were no declarations of interest.

#### **MINUTES**

34. The minutes of the Governance Committee meeting held on 25 February 2014 were agreed as a correct record and signed by the Chair.

#### **MATTERS ARISING**

35. There were none.

#### **URGENT MATTERS**

36. There were none.

#### **PUBLIC PARTICIPATION**

37. There were no members of the public present.

#### **AUDIT PLAN 2013/14**

38. The Committee considered the report from the Chief Finance Officer (Report GOV6/14). The report highlighted the key risks driving the development of an effective audit for the Authority, and outlined the planned audit strategy in response to those risks.

39. The Committee commented:

- The retendered contract allowed access to computer generated testing to analyse aspects of the SDNPA accounts such as the payroll system and identify any discrepancies
- Helen Thompson was commended for her four years of office in assisting the National Park from its inauguration.

40. In response to questions officers clarified:

- Helen Thompson would be handing over to new District Auditor Paul King in the autumn, and that Simon Mather would continue as audit manager for a further year.

41. **RESOLVED:** That the Committee noted the 2013/14 Audit Plan.

#### **FEE LETTER 2013/14**

42. The Chief Finance Officer presented the fee letter to the Committee, which reflected the risk-based approach to audit planning set out in the Code of Audit Practice and the work mandated by the Audit Commission for 2014/15.

43. The Committee commented:

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- The audit fee was very competitive.

44. **RESOLVED:** That the Committee noted the 2013/14 fee letter.

### **PROVISIONAL OUTTURN 2013/14**

45. The Committee considered the report from the Chief Finance Officer (Report GOV8/14). The report highlighted the provisional outturn of £169,000 underspend compared to £100,000 at quarter 3, following the budget carry forward requests as approved by P&P Committee.

46. In response to questions officers clarified:

- The draw down from Reserves was in order to fund the completion of the South Downs Centre
- The Nature Improvement Area project was funded through both the major projects reserve and other funds that were then dispensed to partnership organisations
- The overspend of £46K compared to the forecast overspend of £14K was due to higher than expected restructure costs and could not have been anticipated
- The Idox budget overspend of £24K on scanning would not be an ongoing cost as a fixed price contract had been put in place from 1 October 2014
- That 'VPFE' Capital Reserves referred to 'Vehicles Property Furniture and Equipment'.

47. **RESOLVED:** That the Committee noted:

1. The provisional outturn position for both revenue and capital budgets for the financial year 2013/14 and
2. The budget carry forwards approved by Policy and Programme Committee on 22 May as detailed in sections 3.14 to 3.15 of report GOV8/14.

### **UN-AUDITED STATEMENT OF ACCOUNTS 2013/14**

48. The Committee considered the report from the Chief Finance Officer (Report GOV9/14). The report highlighted the legislative requirements and the purpose of the financial statements, and key issues and changes in the financial statements.

49. The Committee commented:

- The Glossary of Terms was very helpful.

50. In response to questions officers clarified:

- The increase in the West Sussex County Council (WSSCC) pension fund deficit was explained in more detail on page 7 of the Unaudited Statement of Accounts. Improved stock market performance and asset returns had been compensated by changed assumptions in longevity resulting in a change in overall liability
- The SDNPA has no Member representation on the WSSCC Pension Fund Board and therefore limited influence.
- That the Pension fund deficit would need to be addressed incrementally and spread over a period of time.
- That the Group Account Standards was unlikely to apply as the SDNPA was not financially connected to another organisation.
- That the SI06 receipts reserve was being monitored, and would be reported to the Planning Committee on a quarterly basis.
- That the Accumulated Absence Account were carry forwards of officers' leave, which was reflected in the balance sheet as money owed, and that following the completion of

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several large projects officers would be encouraged to use any accumulated leave over the summer months.

- That the Bank Overdraft referred to a timing difference on a delayed grant payment, and that no interest charged had been applied as a result.
- That the Cash and Cash Equivalents referred to the split between current accounts and short term deposits.

51. **RESOLVED:** That the Committee noted:

1. The draft Statement of Accounts for 2013/14 as shown in Appendix 2 of report GOV9/14 and
2. That these were subject to audit by the external auditor.

### INTERNAL AUDIT ANNUAL REPORT AND OPINION 2013/14

52. The Committee considered the report from the Chief Finance Officer (Report GOV10/14). The report highlighted improvements in results in Substantial Assurance on previous years, supported by evidence in Table 2 of the Appendix.

53. In response to questions officers clarified:

- Fuel cards would be issued for the purchase of fuel for Authority vehicles.

54. The Chief Executive took the opportunity to commend the SDNPA and Brighton and Hove officers who had demonstrated an exemplary model of partnership working.

55. **RESOLVED:** That the Committee noted the content of report GOV10/14 and, specifically,

1. The Internal Audit Opinion for 2013/14
2. Internal Audit coverage and issues emerging.

### QUARTER 4 AND 2013-14 YEAR END PERFORMANCE REPORT

56. The Committee considered the report from the Chief Finance Officer (Report GOV11/14).

57. The Committee commented:

- In addition to case studies a report on the Partnership Management Plan could be included as a major achievement.

58. In response to questions officers clarified:

- It was anticipated that the use of Aspireview for performance monitoring would enable an earlier Q4 and Year End Performance Report and Annual Report

59. **RESOLVED:** That the Committee;

1. Noted and approved the Quarter 4 and 2013-14 year end performance report
2. Agreed the proposals for the development of an annual review document.

### PROJECT APPROVAL AND EVALUATION MECHANISMS WITHIN THE SDNPA (INCLUDING A REVIEW OF THE GOVERNANCE OF THE SUSTAINABLE COMMUNITIES FUND)

60. The Committee considered the report from the Director of Corporate Services (Report GOV12/14).

61. In response to questions officers clarified:

- That projects with a valuation greater than £55K would be reported on regularly as single agenda items to the Policy and Programme Committee
- That projects to be reviewed would include Idox, the recent restructure, and the construction of and relocation to the South Downs Centre, as well as the NIA, Heathlands Reunited and the Lidar projects once these were completed.

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62. **RESOLVED:** That the Committee:
1. Approved report GOV12/14 and reaffirmed commitment to the processes outlined within;
  2. Approved the proposals for managing project evaluation (and noted the new SCF governance arrangements)

### **EVALUATION OF THE COLLABOR8 INTERREG IVB PROJECT**

63. The Director of Strategy and Partnership introduced report GOV13/14, which was accompanied by a PowerPoint presentation by the Sustainable Tourism Officer.
64. The Committee commented:
- It would be useful to encourage peer reviews and feedback from project beneficiaries.
65. In response to questions officers clarified:
- Case studies could be used as a basis for press releases and publicity
  - Clear objectives were now identified at the outset of projects and also mid-point to enable effective evaluation
  - That in many cases projects were designed to be self-sustaining and that their success therefore became harder to incorporate into positive publicity for the SDNPA.
66. **RESOLVED:** That the Committee noted the successes and lessons learnt of the Collabor8 Project.
67. The Chair adjourned the meeting for lunch at 13:10pm
68. The meeting reconvened at 13:45pm

### **ANNUAL GOVERNANCE STATEMENT AND UPDATED LOCAL CODE OF CORPORATE GOVERNANCE**

69. The Committee considered the report from the Monitoring Officer (Report GOV14/14).
70. **RESOLVED:** That the Committee:
1. Approved the Annual Governance Statement for 2013-14 to accompany the Authority's Statement of Accounts; and
  2. Noted the updated Local Code of Corporate Governance.

### **COMPLAINTS COMMENTS & COMPLIMENTS ANNUAL REPORT**

71. The Committee considered the report from the Governance and Support Services Manager (Report GOV15/14).
72. In response to questions officers clarified:
- That the figures were not relative to the number of planning applications handled
  - Information on complaints and compliments was now sought from partnering Local Authorities, and that more compliments were now being received as a result
  - Local Authority complaints and compliments feedback would be reported via the quarterly Planning Performance report
  - That compliments were passed on to the officer(s) concerned.
73. The Governance and Support Services Manager took the opportunity to draw the Committee's attention to new postcards designed to make the complaints and feedback process more accessible particularly for those without computer access.
74. **RESOLVED:** That the Committee
1. Noted report GOV15/14 and the learning points identified
  2. Agreed the updated Complaints, Comments and Compliments policy.

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#### **CORPORATE RISK REGISTER**

75. The Committee considered the report from the Governance and Support Services Manager (Report GOV16/14).
76. In response to questions officers clarified:
- Further cuts in DEFRA funding were not considered to be a current risk
77. **RESOLVED:** That the Committee
1. Considered and noted the Corporate Risk Register as at January 2014
  2. Considered if any risks should be referred to the Policy and Programme Committee
  3. Agreed the updated Risk Management Strategy 2013-17 and noted the associated Risk Guidance
78. Committee Member Lewis Doyle left the Committee table at 14:00pm.

#### **ANNUAL REPORT ON MEMBER STANDARDS ISSUES AND POTENTIAL IMPROVEMENTS IN POLICY AND PRACTICE**

79. The Committee considered the report from the Independent Person (Report GOV18/14).
80. In response to questions officers clarified:
- A second Member of the Governance Committee should be appointed to the proposed Working Group
81. Committee Member Lewis Doyle returned the Committee table at 14:15pm
82. **RESOLVED:** That the Committee recommended to the Authority that:
1. The Terms of Reference attached as Appendix I to report GOV18/14) be amended to include the appointment to the Working Group of a second member of the Governance Committee by the Chief Executive in consultation with the Chair of the Governance Committee
  2. A Member/officer Working Group be established with the amended terms of reference attached in the Appendix to review the Arrangements for Assessment, Investigation and Determination of a Complaint that a Member has Failed to Comply with the Members' Code of Conduct; and
  3. The Working Group report back to the Governance Committee with its recommendations later this year.

#### **ANNUAL HEALTH AND SAFETY REPORT 2013/14**

83. The Committee considered the report from the Health and Safety Advisor (Report GOV17/14).
84. The Committee commented:
- It was reassuring that near misses had been included
  - It would be useful to include numbers for context and comparison
85. In response to questions officers clarified:
- That the reporting of incidents and near misses was of great value, and that the culture of the Organisation could always be improved in order to encourage a higher degree of reporting amongst officers and volunteers
86. **RESOLVED:** That the Committee noted report GOV17/14

#### **Chair**

The meeting closed at 14:21.