

DORSET COUNCIL - AUDIT AND GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON THURSDAY 7 NOVEMBER 2019

Present: Cllrs Matthew Hall (Chairman), Richard Biggs (Vice-Chairman), Simon Christopher, Susan Cocking, David Gray, Brian Heatley, Nocturin Lacey-Clarke and Bill Trite

Apologies: Cllrs Mike Parkes and Bill Pipe

Also present: Cllr Tony Ferrari, Cllr Les Fry, Cllr Andrew Parry, Cllr Molly Rennie and Cllr Peter Wharf

Officers present (for all or part of the meeting):

Aidan Dunn (Executive Director - Corporate Development S151), Chris Matthews (Service Manager - HR Operations), David McIntosh (Corporate Director (HR & OD)), Jim McManus (Corporate Director - Finance and Commercial), John Sellgren (Executive Director, Place), David Wilkes (Service Manager for Treasury and Investments) and Lindsey Watson (Senior Democratic Services Officer)

40. Minutes

The minutes of the meeting held on 14 October 2019 were confirmed as a correct record and signed by the Chairman.

41. Declarations of Interest

There were no declarations of interest.

42. Public Participation

There were no representations from parish or town councils or from members of the public.

43. Urgent items

In response to a request from the Chairman, the committee was provided with an update in respect of outstanding issues with signing off the accounts of the former Dorset Councils Partnership councils. The Executive Director of Corporate Development noted that confirmation had been received from the External Auditor that all work required had been completed. The only outstanding point was to receive confirmation from banks as to balances as at 31 March 2019.

On a separate point, the Chairman noted that he had received a communication from the Ministry of Housing, Communities and Local Government with regard to reviewing the role of the external auditor.

44. **Presentation - Dorset Council Workforce Data and People Strategy**

Following a request by the committee at a previous meeting, councillors received a presentation which covered Dorset Council workforce data and the People Strategy. The committee considered the issues arising from the presentation and during discussion, the following points were raised:

Workforce Data

- Staff turnover and sickness absence figures were noted
- 10% of posts in the establishment were vacant and it was noted that some vacant posts had been held while restructures were undertaken. The current tranche 2 was coming to an end
- A review of recruitment practice had been undertaken
- The Dorset Council website was the main location for council job vacancies, although it was noticed that a lower level of recruitment was currently taking place
- As at the end of September 2019, the headcount for Dorset Council was 4669 (3665 Full time equivalents)
- A discussion was held with regard to sickness levels and in particular the level of long-term sickness and the strategies that were in place to deal with these issues
- A comment was made with regard to stress related illness and issues around mental health in particular directorates and that there may be a need for a specific piece of Human Resources (HR) work within these directorates
- An overview of the issues being addressed through the Blueprint for Change consultation was provided including the need for manageable case loads for social workers
- Levels of staff morale in the council were considered and different views expressed. The council was looking to procure a system in order to survey staff in a more modern way
- The council operated a 'Business Partner' approach with each service area being allocated a senior HR contact. Workforce data was also available at directorate level
- A point was noted with regard to the need for the committee to receive information on a timely basis and particular reference was made to the position in Children's Services
- The Executive Director of Corporate Development responded to recognise the position and to reiterate that everything was being done to support Children's Services through the Blueprint for Change consultation
- The Chairman noted that he had been contacted by the South West Audit Partnership with regard to the timing for the committee receiving information and inviting any comments from councillors prior to him submitting his response
- Information from each directorate was included in the presentation and reference was made to 'knowledge management' and how information could be retained or transferred with people leaving the

council. Particular reference was made to information from the Business Insight and Corporate Communications area

- A point was raised as to how Dorset Council held and shared information and it was understood that some work was being undertaken in this area. It was noted that a councillor workshop on the Dorset Council transformation programmes was being held on 10 January 2020 and it was suggested that councillors attend this session and following this, the committee could give further consideration to whether any further work was required in this area
- The Portfolio Holder for Children, Education and Early Help provided reassurance that a significant amount of work had been undertaken in areas such as sickness levels which had seen a reduction in levels. Reference was also made to successful management arrangements in the Children's Advice and Duty Service (CHAD) and a recent Ofsted visit which have shown that the council was classified as 'requiring improvement on the way to Good'
- Staff were recognised as a key asset for the council.

Dorset Council's People Strategy

- The Deputy Leader and Portfolio Holder for Corporate Development and Change introduced the Dorset Council People Strategy. Any minor changes arising from discussion at the meeting could be incorporated into the document, with any fundamental changes, if required, being reported back to Cabinet. The Deputy Leader expressed his thanks to staff for their work in this area and noted that the strategy had been put together with engagement with management, trade unions and the workforce
- In response to an earlier point, it was noted that training had been made available for managers on recognising mental health issues in the work place
- A discussion was held with regard to opportunities for young people and reference was made to work to be developed by the Rotary Club which could link in with the council and work on apprenticeships being undertaken by the council
- A point was noted that opportunities for children would be considered including those for the council's looked after children
- In response to a question, it was noted that there was a very detailed equality impact assessment for the People Strategy and an inclusion and diversity policy would be produced
- A point was raised with regard to external accreditation for the People Strategy and whether this was something the council should pursue
- Examples of areas available to assist with the employee journey were provided
- There would be a role for councillors in this area including the appointment of a councillor champion for mental health issues and the involvement of councillors in new employee induction events

- Although not specifically included within the presentation, it was noted that the council had a zero tolerance policy on bullying
- A point was raised that a goal of the People Strategy, 'Creating a positive workplace culture' had not been covered in the presentation, although it was noted that this could be recognised as an outcome of success in the other goals (becoming an employer of choice, developing our people, engaging our people, supporting our people and rewarding & recognising performance)
- Further points were raised with regard to the need to include reference in the strategy to listening to people, rewarding and recognising good or high performance and encouraging people to share information
- A comment was made that the presentation did not cover support provided, including training available, to staff in respect of domestic violence and abuse, and that this should be covered within the strategy
- A concern was raised that the strategy did not include councillors and that this should be addressed. Reference was also made to the councillor officer protocol and a comment made that the protocol should be enhanced for the council. A piece of work could be undertaken with the Democratic Services Team in terms of the support available for councillors.

The Deputy Leader noted the following action points following discussion at the meeting:

- Review of Officer/Member Protocol in the Constitution
- Greater visibility of zero tolerance approach to bullying within the strategy
- A need to focus on knowledge sharing and corporate memory
- The council to demonstrate that it is a listening organisation
- An emphasis on rewarding good performance
- Reference to support provided to staff in respect of domestic violence and abuse including supporting managers to be able to identify issues
- A note that the employee forum is open to all staff
- Consideration of the point that the goal 'Creating a positive workplace culture' had not been covered in the presentation, although it was noted that this could be recognised as an outcome of success in the other goals
- An update following consideration of the above issues to be provided to the Chairman of the Audit and Governance Committee.

The Chairman thanked the Deputy Leader and officers for the presentation and discussion.

The Chairman made reference to occasions when the remit of an issue may cover more than one committee and it was noted that there may be a need for joint meetings in future in respect of particular items.

45. Presentation - Dorset Council EU Exit Preparations

The committee received a presentation from the Executive Director of Place, which set out the preparations being undertaken by Dorset Council in respect of EU Exit. The update covered the work that had been undertaken by the council and noted that an extension for EU Exit had been granted until 31 January 2020.

It was reported that in line with the Ministry of Housing, Communities and Local Government's approach, the Strategic and Tactical Groups set up by the council had been paused. All structures in this area would be reconvened in January 2020.

Councillors considered the issues arising from the presentation and during discussion, the following points were raised:

- In response to a question the Executive Director confirmed that scenarios would be prepared for from the emergency control centre based at County Hall. Desktop exercises were undertaken and the Executive Director was confident that the council had the resilience to deal with events, including where there may be more than one incident
- Work had begun on the issues around recovery following response, which had included discussion with Bournemouth, Christchurch and Poole Council on areas such as support for economic development
- Close work was undertaken with the Police around social unrest issues, which was an area led by the Police, supported by the council
- A discussion was held with regard to the EU Settlement Scheme and it was noted that the Home Office had confirmed the current scheme would be open until at least 31 December 2020. Relevant people could be advised to register under the scheme if required and it was noted that Citizens Advice could assist people to register
- The Chairman asked that a further update be provided at an appropriate time.

46. Treasury Management 2019/20 Mid-Year Update

The committee received and considered a report which summarised the treasury management performance and position information for Dorset Council for the financial year to 30 September 2019. A training session was to be run for all councillors, provided by officers and advisers, to further explain the responsibilities that councillors had in relation to treasury management.

Councillors considered the contents of the report and during discussion, the following points were raised:

- Reference was made to a loan from BAE Systems, set out in appendix 2 of the report and points noted with regard to potential public concern with ethical borrowing issues and the ability to repay

the loan early if required. In response, the Service Manager for Treasury and Investments provided background to the specific loan and noted that the loan had consolidated a number of previous loans. There would be a premium in order to repay early. It was noted that a number of the loans listed were loans taken out by the former Dorset County Council and that they would have been taken out in accordance with the strategy of the former council

- In response to a question, it was noted that there was an active market in inter-authority lending for short term borrowing
- A lot of borrowing was based on the strategy of the former Dorset County Council
- The council would aim to have variances in the maturity dates for loans in order to mitigate in case of a sudden increase in interest rates.

47. Audit and Governance Committee Work Programme

Councillors reviewed the Audit and Governance Committee work programme and items expected at forthcoming meetings. It was noted that the External Audit Plan would now be presented to the meeting on 16 January 2020.

At the next meeting on 3 December 2019, the committee would be considering the Financial Report for Quarter 2 2019/20. The committee requested that the Executive Director of People – Children be invited to the meeting as it was noted that there was a 13% overspend on budget in this area for the first 6 months of the financial year (as set out in the finance report considered at Cabinet on 5 November 2019) and councillors would like the opportunity to have a discussion on progress being made in this area.

The committee also requested a further update on Dorset Council preparations in respect of EU Exit at their meeting on 16 January 2020.

48. Exempt Business

There was no exempt business.

Duration of meeting: 10.00 am - 1.02 pm

Chairman

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