

AUDIT AND GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON MONDAY 13 NOVEMBER 2023

Present: Cllrs Richard Biggs (Chairman), Susan Cocking (Vice-Chairman), Belinda Bawden, Barry Goringe, David Gray, Bill Trite and Pauline Batstone

Also Present: Cllrs Val Potheary and Jane Somper.

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

David Bonner (Service Manager for Business Intelligence and Performance), Aidan Dunn (Executive Director - Corporate Development S151), Marc Eyre (Service Manager for Assurance), Heather Lappin (Head of Strategic Finance), Jonathan Mair (Director of Legal and Democratic and Monitoring Officer), John Miles (Democratic Services Officer), Sally White (Assistant Director SWAP), Matthew Piles (Corporate Director - Economic Growth and Infrastructure), Jonathan Price (Corporate Director for Commissioning), Elaine Tibble (Senior Democratic Services Officer), Jacqui Andrews (Service Manager for Democratic and Electoral Services) and David Wilkes (Service Manager for Treasury and Investments)

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

Sean Cremer (Corporate Director for Finance and Commercial), Angela Hooper (Principal Auditor SWAP) and Andrew Billany (Corporate Director for Housing)

36. Apologies

An apology for absence was received from Cllr Robin Legg.

37. Minutes

The minutes of the meeting held on 25th September 2023 were confirmed and signed.

38. Declarations of Interest

No declarations of disclosable pecuniary interests were made at the meeting.

39. Public Participation

There was no public participation.

40. Minutes of the Audit & Governance Sub-committee

There were no meetings held.

41. Treasury Management Mid-Year Update

The Service Manager for Treasury and Investment introduced the report. He informed the committee of the headlines such as, the total external borrowing, the total interest paid and £40 million of borrowing matured in the first 6 months of the year. The total interest paid servicing debt for the year was forecasted to be £8.5 million which was a million pounds less than the budget of £9.5 Million. This was because there had been a delay on taking out new borrowing which had been offset as interest rates would be higher than anticipated.

He covered the main external factors influencing the treasury management activity which was high inflation and subsequent interest rate rises. Interest rates were expected to now plateau and then start falling back gradually during summer and autumn next year. Net borrowing was predicted to increase for the second part of the year because of the profile of the Council's cashflows – for example car parking revenue was higher in the summer months and the government grants were usually received in advance of spend.

The Executive Director for Corporate Development responded to Cllr Grey's question regarding what needed to be changed to achieve the Capital Programme. He told the committee that Dorset Council had struggled with its Capital Programme over the past few years which led to a review last March which removed a number of items. Overambition and the inability to deliver given the current economic crisis in terms of construction and resources available. There had been increased monitoring of each scheme during the last 6 months and an update would be provided in the next Quarterly Finance Report.

Noted

42. Quarter 2 Financial Management Report 2023/24

The Corporate Director of Finance and Commercial introduced the Report. He went through the headlines of the paper and the service specifics such as, the council's overall revenue forecast was for a £12 million overspend which had worsened since quarter 1 and 2. The current overspend would result in the use of reserves, subject to any further mitigation identified throughout the year. In terms of capital, there had been a reprofiling exercise to look at the capital budget and profile spend.

The Corporate Director for Economic Growth and Infrastructure informed that the SEND reform in 2014-15 meant that transport costs had increased by 8% year by year and Place budget had only increased by 3% year by year. Other challenges involved shortage of drivers due to COVID, higher fuel costs and inflation, which were also national issues. SWAP had carried out an Audit of home to school transport to reassure people that place was robust in contracts, markets, and placements. A transformation program had started and additional resource to help review individual cases. There needed to be better forecasting and modelling for parking. As income for car parks were over forecasted. The new fees and charges for planning would increase revenue by 30%.

The Executive Director for Corporate Development added that spend was being contained where possible for this financial year by vacancy management, reducing the number of consultants, agency workers and non-essential spend.

The Interim Corporate Director for Commissioning informed that the strategy over the past couple of years had been to work on suppressing or delaying demand and increased or decreased expenditure was heavily scrutinised. The budget strategy for adults was underpinned by the transformation plan which focused on demand management and commission care costs, which helped to balance pressures. There was a slight overspend on the adult care purchasing budget at 0.9% and tighter recruitment controls had been implemented.

The Corporate Director for Housing made the committee aware of the triple pressure of demand rising by around 20% from people coming to the service as homeless or potentially homeless. He highlighted some of the pressures such as, rents were rising above inflation, local costs were increasing, availability of housing were decreasing. He added that prevention was the key in reducing homelessness and the types of prevention which range from preventing a landlord evicting someone, working with families to re-unite individuals with their parents if they had been thrown out, finding the right temporary accommodation and making the best of the social housing stock. The main burden on finances was the expensive temporary accommodation.

The Corporate Director for Care and Protection identified the three key areas of pressure were children in care placement budget, spend on unaccompanied asylum-seeking children and spend on children with a disability. The biggest area of spend was the children in care placement budget and children in care population continued to be reduced. There had been more early support work carried out with families, less children in need status and children subject to child protection plans.

Noted

43. Review of Timing of Committee Meetings

A Task and Finish Group was established to review the time of committee meetings at Dorset Council and to consider whether holding some of the council's committee meetings in the evenings would enable more councillors to attend meetings, attract more people to stand for election and whether it would enable more members of the public to participate at committees.

Cllr Biggs informed that the proposal was to stand by the A, B, C, D and E recommendations. As it provided the opportunity for working members to attend at least one committee in the evenings. It would also make it easier for members to travel around the county especially during the winter.

Recommendation to Full Council

That council approves the recommendations of the Task & Finish Group, taking into account the results of the members survey, in respect of the following timings in preparation for the Calendar of Meetings 2024/25:

- a. During the period of British Summer Time, Full Council meetings will be held at 6.30pm. (April, May, July & October)

- b. During the period of Greenwich Mean Time, Full Council meetings will be held at 2pm. (December & February)
- c. During the period of British Summer Time, Cabinet will be held at 6.30pm. (April, May, June, July, September, October)
- d. During the period of Greenwich Mean Time Cabinet will be held at 2pm. (November, December, January, March)
- e. That all meetings of Audit & Governance Committee will be held at 6.30pm.

Reason for Decision

To respond to a request to review the timing of meetings prior to the Dorset Council elections in May 2024 and to put into place proper arrangements for council committee meetings.

44. Flexibility to Hold Virtual Licensing Sub-Committees

The Service Manager for Democratic and Electoral Services introduced the report. Unlike the local government act 1972 which required members to be in a physical place, the licensing regulations 2003 allowed virtual licensing sub-committees for many matters which make up the majority of the 30 licensing sub-committees each year. The report sought for a recommendation to Full Council to provide the sub-committee with the flexibility to hold meetings virtually where appropriate.

Cllr Cocking informed that she had attended many licensing sub-committees and fully supported the application as members were often called in at short notice, there were many meetings and that it would be a good use of councillor and officer time. However, there were some big cases where it would be favourable to hold meetings in person.

Cllr Biggs raised concerns regarding if virtual licensing sub-committees' would work for the public and enquired about cost savings.

There would be about £30 in cost savings for travel.

Cllr Trite informed that communication was more than disembodied voices and that there was a limiting factor with virtual meetings in regards, to the quality of decisions. He highlighted that communication could suffer as a result of meetings being held virtually.

Cllr Biggs noted the concerns and raised that this needed to be kept under review and if there was evidence for decision making hindered by virtual meetings then the matter would be revisited.

Recommendation to Full Council

1. That Council is asked to approve a 12-month trial period to give the Licensing Sub-committee the flexibility to meet virtually when appropriate to do so; and delegates to the Licensing Committee the authority to take a decision on whether this flexibility should continue and be made a permanent arrangement.
2. That delegation is given to the Director of Legal & Democratic (Monitoring Officer), to approve the virtual meeting protocol after consultation with the Chairman of the Licensing Committee and the Executive Director for Place.

Reason for Decision

There are numerous benefits of holding meetings virtually, including savings on officer, member and attendees travelling time, staff resources for running committee meetings and travel costs.

45. **Honorary Alderman of the Dorset Council Area**

The Service Manager for Democratic and Electoral Services introduced the report. To recognise and celebrate the contributions made by former councillors and to raise the profile of the important work that members do in their communities. Any councillor would have ordinarily been in office for 16 years. The proposed criteria were that the retired member must have made an outstanding contribution in their role as an elected member.

Cllr Batstone supported the principle of recognition and raised concern about the cost of the badges supplied.

Cllr Trite informed that the council should have the power and right to make this kind of recognition when they see fit and supported that there should be a high bar.

Proposed by Cllr Trite, seconded by Cllr Batstone.

On being put to the vote the amendment was CARRIED.

Recommendation to Full Council

To recommend that Full Council agrees to amend the Constitution to include the criteria and process for awarding the title of Honorary Alderman of the Dorset Council area to former members of Dorset Council.

Reason for Decision

Being able to confer an honorary title on a former member of the Council is an important step. It will enable the Council to recognise and celebrate the contribution made by those former councillors whose successors believe them to have made an outstanding contribution.

46. **Constitutional Update**

The Director for Legal and Democratic gave an update on 4 consequential changes to the constitution.

The first change related to petition scheme: The Council had recently its first 5000 signature petition (relating to car parking in Weymouth). There had been some consequential changes coming out of our practical experience of operating the procedure but there were no changes to the substance and the threshold number of signatures to get a petition in front of Full Council.

The Second related to the terms of reference of the Strategic and Technical Planning Committee. At the to the terms of reference of the committee include proposals for energy production of 5 MW or greater. This excludes energy storage which is becoming increasingly significant in Dorset and so with the support of the portfolio holder and the chair of the Strategic and Technical Planning Committee a small change has been made to the terms of reference of the Committee to include energy storage as well as production.

The Third change related to the Health and Wellbeing Board, to reflect the role that the Board had taken on as the Strategic Board for the Place Based Partnership as part of the Integrated Care System. There was also a consequential change to membership to reflect the abolition of the Clinical Commissioning Group and its replacement with the Integrated Care Board.

The Fourth related to the terms of reference of the Joint Achieve Board with BCP Council where the Terms of Reference Board had been changed to reflect a new archive service agreement between the two councils.

Noted

47. Work Programme

There were no comments.

48. Urgent items

There were no urgent items.

49. Exempt Business

Decision

That the press and the public be excluded for the following item(s) in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).

There was no exempt business.

Duration of meeting: 11.00 am - 12.43 pm

Chairman

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