

**MINUTES OF A MEETING OF THE  
AUDIT COMMITTEE  
HELD ON 25 SEPTEMBER 2019 FROM 7.00 PM TO 8.55 PM**

**Committee Members Present**

Councillors: Chris Smith (Chairman), Dianne King (Vice-Chairman), Rachel Burgess, Maria Gee, Angus Ross, Daniel Sargeant and Imogen Shepherd-DuBey

**Other Councillors Present**

Councillors: Gary Cowan

**Also Present**

Michael Bateman, Business Analyst  
Andrew Moulton, Assistant Director Governance  
Susan Parsonage, Chief Executive  
Neil Carr, Democratic and Electoral Services Specialist  
Jackie Whitney, Lead Customer Manager  
Stephen Wood, Complaints Manager

**32. APOLOGIES**

There were no apologies for absence received.

**33. MINUTES OF PREVIOUS MEETING**

The Minutes of the meeting of the Committee held on 24 July 2019 were confirmed as a correct record and signed by the Chairman.

**34. DECLARATION OF INTEREST**

There were no declarations of interest submitted.

**35. PUBLIC QUESTION TIME**

There were no Public questions.

**36. MEMBER QUESTION TIME**

In accordance with the agreed procedure, the Chairman invited Members to submit questions to the appropriate Members.

**36.1 Gary Cowan asked the Chairman of Audit Committee the following question:  
Question:**

On the 4th of September, I asked the Chairman of the Health Overview & Scrutiny Committee the following question: Does the Council support the CCG policy on its provision of healthcare in which rural communities will certainly suffer as a result of their one size fits all policies?

The answer was as follows; 'As service provider the CCG decide how health provision is to be delivered and as partners Wokingham Borough Council aim to work with the CCG to facilitate their needs where this is possible.'

This would suggest that the Council sees working with the CCG as being more important than working to deliver residents actual needs.

Then on the 18th September, I asked the Chairman of Overview and Scrutiny Management Committee the following question; 'There is a general public perception that

the Council's planning department is not fit for purpose. Most Councillors have experienced residents' disquiet on decision-making, enforcement actions and the protection or lack of protection of trees especially those with TPO's on them or where protective TPO's are not considered when trees are at risk to development or have a community value. This perception is also evident by articles in the press.

Whether there is any truth in this or not a review would be beneficial, as it would have two effects; one it would be to assure residents that the department functions correctly in a transparent manner or two it might identify areas where the service could be improved for the benefit of all....'

The reply I got suggested there was not a problem to which my supplementary was I would reply in more detail in writing.

Yet the Audit Committee Annual Complaints Report states under Key Themes.

- As with recent years, the services which have received the highest volume of complaints are Housing and Development Management.
- The majority of these complaints are in relation to decisions reached on planning applications and planned/reactive housing repairs.
- Whilst the number of formal complaints received at Stage 1 has increased it is not by a number that should be a cause for concern with only 15 more cases being recorded in 2018/19, in comparison with 2017-'18.
- It should also be noted that whilst the number of Stage 1 cases have increased, the number of Stage 2 cases and LGSCO referrals have remained consistent which indicates that we are continuing to resolving cases at an early a stage as possible.

My question is in the light of the answers I got at the other O+S meetings and the comments above it would indicate that this level of complaints is considered acceptable by this Council. Is this so?

**Answer:**

I am a bit confused with your first part as you say that the Council sees working with the Clinical Commissioning Group as being more important than delivering residents' actual needs. The CCG are the ones that are responsible for delivering the residents' needs in this respect and so we need to be working with them as a Council, to do this. I am also a bit concerned because I thought that you were the Deputy Executive Member for Planning and Enforcement, is that still the case?

**At this point Gary Cowan stated the following:**

No, I resigned after Keith Baker said things about me in the press.

**Answer continued:**

I would say that I find the department absolutely fit for purpose. It responds and it is good. I think we can see on appeals that they do make sure that we are kept in line with what we should be doing.

From Planning, we have a volume of complaints from around 25 per annum over the last few years. Around a third are escalated to Stage 2 each time, and this is where a resident is not satisfied with our response, not something we do automatically. To date the Council has had around 15 level 1 complaints, of which one has gone to the Ombudsman, and the Council, it was found in our favour. I think these 15 complaints and 25 complaints per

annum need to be seen in context. The Council has thousands upon thousands of interactions with residents a day; such as today, about 12,000 sets of bins were emptied in Earley alone. I think we have had nearly 2,500 planning applications in 2019 so far, so only having 15 complaints reaching level 1 is a comparatively small volume.

I personally do not want to see any complaints against the Council, and I am committed to making sure we provide a high quality service for every resident. I mean sometimes we get things wrong, but that is what the complaints process is there for; to ensure that peoples' complaints are handled fairly, responsibly and can hopefully get to a situation that everyone agrees with and there is also the independent Ombudsman if that satisfaction cannot be reached at a local level.

I would note that the complaints report is something that is on our agenda tonight so I cannot answer your final question as to whether it is an acceptable level or not until we as a committee have discussed this, but you are welcome to attend and listen to that part of the discussion.

### **Supplementary Question:**

The comments with respect to the Health and Overview Committee are pretty straightforward, in terms of how the Council sees it work with the CCG. The point I was making there is that it can be at the residents' expense. It is very clear where the partnership lies there.

The Chairman of Overview and Scrutiny asked if the Planning department was fit for purpose at the last meeting of that, and the answer I got there was a resounding yes. Yet in your Audit Committee report here, there are issues where elements within the Council were failing. The point I am really trying to make is that it is never good enough if there are any complaints in any department. Residents expect the overview and scrutiny health committee to work for them and not just for the CCG. The Audit Committee will discuss this. My question therefore really is, and you have half answered; health and management overview scrutiny and even this Audit Committee, are they all fit for purpose as they are working now, because there are quite a few complaints listed in your report, and the comments seem to be that it is ok.

### **Supplementary Answer:**

I think I will refer to the context. We have had nearly 2,500 planning applications so far this year, of which there have been 15 complaints reaching Stage 1. 2,500 applications, many of them attract hundreds of comments, particularly some of the most recent, like the quarry one. I will say that in terms of it, we do have complaints and I agree that any complaint must be taken seriously and I want to move to a target of zero, but as I say, we have hundreds of thousands of interactions with residents each year.

My rubbish is picked up every single week. There are 52 things that could go wrong there, across Earley, which is 11,000 houses. That is half a million. Let us be honest that is almost a million potential interactions just on our collection of waste, a year alone, excluding what we do around our fantastic schools, our adult social care, how we do sports, planning, and everything else. I fully agree; I want us to move to zero complaints. I want everything to be handled there but we are in a situation of that is a comparatively small number of those interactions. I think it is ISO 9000, which is the international compliant standard which is that good organisations have a success rate of 99.998%. If we are having 100 complaints over many millions of interactions, I do not know the statistics off there, but I agree we should be working towards nothing. That is why we

bring the complaints here, and that is why we as councillors are able to see what is going on and understand precisely where the complaints are; are there any particular departments? We can hold the officers to account on behalf of residents. In an ideal world, yes, this report would have a single page, which would have a zero on it, and I would love to be there, but I cannot see us getting there ever, if I am honest.

### **37. UPDATE ON FINANCIAL STATEMENTS 2018/19**

The Committee received an update on the Financial Statements 2018/19. The Chairman stated that the Council was waiting for Deloitte to sign off on the Royal Berkshire Pension Fund before Ernst and Young would sign off on the Council's accounts. They had two potential issues relating to longevity contracts and convertible bonds

Councillor Gee commented that she noted the difference in the pension fund account and that it would have a 1.8-1.9% decrease in the value of assets. She questioned what the monetary value would be of the reduction in value of the assets. Councillor Gee questioned where the impact would be seen on the Council's accounts. It was agreed that a written answer would be provided.

In response to a question from Councillor Burgess as to whether an extraordinary Audit Committee meeting would be required in order to sign off the accounts, Councillor Smith stated that a meeting would be held as soon as possible to sign off the accounts. The Committee's next scheduled meeting would be 6 November 2019. He believed that pension scheme accounts had 7 months to be signed off or they were non-compliant.

**RESOLVED:** That the update on the Financial Statements 2018/19 be noted.

### **38. ANNUAL COMPLAINTS REPORT**

The Committee received an updates on complaints and compliments.

During the discussion of this item, the following points were made:

- Michael Bateman advised that the number of Stage 1 complaints received had increased slightly compared to the last two financial years. However, this was not a cause for concern.
- The number of complaints that had been escalated to Stage 2 and the Ombudsman remained steady.
- The services that had received the highest volume of complaints had been Housing and Development Management. The majority of these complaints related to decisions reached on planning applications and planned/reactive housing repairs. However, the number of complaints was small when compared with the total overall interactions with residents.
- Officers agreed that benchmarking on complaints data could be a useful exercise. Councillor Smith requested that feedback be provided on benchmarking prior to the next meeting.
- Members were informed of the difference between Stage 1 and 2 complaints. Michael Bateman explained that any complaint received was initially put to Stage 1. The relevant service was given the opportunity to address the concerns raised. Stage 1 complaints had to be responded to within 15 working days and Stage 2, 20 working days.
- Jackie Whitney emphasised that every effort was made to first seek a resolution via early resolution, where possible.

- Councillor Shepherd-DuBey asked how less routine complaints were dealt with. Jackie Whitney indicated that as much information as possible was captured to facilitate the process.
- In response to a question from Councillor Gee, it was suggested that information regarding Children's Services complaints be included in the Executive Summary of future complaint reports.
- Councillor Ross asked whether complaints were from businesses or residents. Michael Bateman commented that complaints tended to be from individual residents.
- Councillor Burgess commented that it was good to see the reasons for the complaints. These could then be crosschecked with the KPIs for the different services.
- Members were informed that there was now a dedicated webpage for children's services complaints, which made the process more accessible.
- In Q1 (April- end of June) there had been a decrease in Children's Services complaints. There had been an increase in Q2. Projected figures were below those of last year's.
- Members suggested that information on historical trends and reasons for them be included in future reports. Councillor Sargeant also suggested that future reports include an explanation of what was a Stage 1 and 2 complaint.
- Councillor Sargeant questioned whether a procedure was in place to ensure that positive comments received were fed back to the relevant officers.
- Councillor Gee queried why there was no trend data for Customer and Localities.
- Councillor Gee went on to ask whether action plans were created and feedback provided to the services. Michael Bateman explained the action taken. Susan Parsonage indicated that she discussed with Jackie Whitney what lessons could be learnt and how processes could be improved.

**RESOLVED:** That the update on complaints and compliments be noted.

### **39. DATA PROTECTION UPDATE**

Members were updated on data protection within the Council.

During the discussion of this item, the following points were made:

- The level of staff awareness around data protection had increased.
- The Council had a good relationship with the Information Commissioner. There had been three breach complaints made to the Information Commissioner in 2018/19, none of which had been upheld.
- Andrew Moulton outlined data breach themes including post, email and technology and communications process.
- With regards to breaches involving post, Councillor Smith questioned whether there were any possible technological or physical fixes. He also questioned whether autocomplete should be disabled on email to help avoid mistakes. Andrew Moulton commented that any additional controls needed to be cost effective and not make the process overly complex.
- It was noted that Internal Audit would be auditing data protection.
- Councillor Sargeant commented that the review of the subject access review process was potentially a large project, and asked which officer would be leading on this. Andrew Moulton indicated that he was the Council's Data Protection Officer.

A small team of officers would be working with the Directors and Chief Executive to take forward actions.

- Members were informed that the Council did have the ability to charge for complex subject access requests. Councillor Smith stated that charging for subject access requests would represent a big change in Council policy and if this was to be progressed he would like the proposal to be considered by the Executive or the Audit Committee first.
- Councillor Shepherd-DuBey asked whether anyone had asked about the right to be forgotten and if there were a process in place for this. She was informed that they had not and there was not currently.
- Councillor Shepherd-DuBey asked how the Council responded to data breaches and also how learning was fed back across the Council. Andrew Moulton commented that the Council needed to improve in collating information and identifying trends and patterns. Individual cases were dealt with on a case by case basis and assessed as to whether it was reportable to the Information Commissioner. Action would be taken to mitigate the data breach. Councillor Shepherd-DuBey asked if there was a process for auditing departments or individuals for data protection breaches. Andrew Moulton indicated that it was currently on a more ad hoc basis. The internal audit was likely to flag up the need to standardise the monitoring process.
- Councillor Shepherd-DuBey asked how paper data was tracked. Members were informed that a lot of work had been undertaken in 2017/18 as part of a data audit to understand what data the Council had, both analogue and digital, and to ensure that data was not being retained longer than necessary.
- Councillor Smith asked for an update, in particular next steps to be taken, at the Committee's February meeting.
- In response to a question from Councillor Ross regarding training, Andrew Moulton indicated that staff undertook mandatory online training. E-learning was also available to Members.

**RESOLVED:** That the update on data protection be noted.

#### **40. CORPORATE RISK REGISTER**

The Chief Executive presented the Corporate Risk Register.

During the discussion of this item, the following points were made:

- With regards to Risk 1 Budgeting and financial management, a Commercial Council Programme Board had been introduced, which was chaired by the Chief Executive and Deputy Chief Executive. It looked at medium and long-term actions for mitigating financial challenges going forwards, such as demand management and contracts. It was noted that Overview and Scrutiny were scrutinising the budget setting process.
- Councillor Gee questioned why commercial investment was considered an existing control for Risk 1.
- Susan Parsonage informed the Committee that there would be a new Assistant Director Adult Safeguarding.
- There was a new risk around the adult social care provider market.
- Mitigation work was being undertaken with regards to the potential impact of Brexit. Councillor Smith commented that risks generally appeared to have increased in impact and likelihood. He asked whether this was the result of a change to the risks

or the way in which the assessments were made. Susan Parsonage commented that it was a mixture of both.

- Councillor Burgess questioned why climate emergency was not included on the Risk Register. Susan Parsonage indicated that she would look into this. In addition, Councillor Burgess stated that she felt that carbon emission should be included in the Corporate Risk Register.
- Members discussed Children's Services and the budget setting process.
- With regards to financial risks, Councillor Gee questioned how increasing borrowing was a control.
- In response to a question from Councillor Burgess about demand management, Susan Parsonage stated that the Council looked at where demand for particular services came from and ways in which this could be addressed. Investing to save could help reduce demand at a later stage and lead to better outcomes.
- With regards to Risk 2 Corporate Governance (including Political Governance), Councillor Burgess asked for an update on the LGA Peer Review action plan. Andrew Moulton advised that there would be a further review next year.
- Councillor Burgess questioned why lobbying was considered an action to mitigate risk around the Local Plan. She felt that further detail was required in the Risk Register.
- The Committee discussed the risks around Brexit and questioned why the risk level had increased and what the Council was doing to prepare. Susan Parsonage stated that there was an officer group looking at Brexit, which was focusing on business continuity. The group fed into a local resilience forum at Thames Valley level. Central Government required every local authority to have a lead officer on Brexit.
- Councillor Smith questioned whether any issues had been found with the Council's business continuity arrangements and was informed that there had not. Services were updating their business continuity plans.
- Councillor Ross asked about the risk of unexpected weather events and their potential impact on services.
- Councillor Gee asked a number of questions relating to corporate governance. It was clarified that the Audit Committee reported annually to Council. Internal Audit reports were presented quarterly to the Audit Committee.
- Councillor Gee queried the line management arrangements in place around corporate governance. Susan Parsonage stated that the Monitoring Officer role reported to the Deputy Chief Executive who was also the S151 Officer. This was not unusual. The Monitoring Officer had access to the Chief Executive to raise any concerns.

**RESOLVED:** That the update be noted.

#### **41. EQUALITIES ACT TRAINING**

Members received training on the Equalities Act.

During the discussion of this item, the following points were made:

- Andrew Moulton outlined the Council's equality duties and objectives.
- The Council needed to relook at the equality objectives. Further information would be presented to the Executive and the Overview and Scrutiny Management Committee.

- Although Equality Impact Assessments were not a legal requirement, the Council felt that they were a good, structured way of demonstrating the Council's compliance with the equality duties. The most recent Executive reports, did where appropriate, include Equality Impact Assessments.
- There was mandatory e-learning for staff on equality and diversity at work. There was also e-learning on equality impact assessments for managers.
- Internal Audit were currently undertaking an audit of equalities, the outcome of which would be presented to the Committee.
- With regards to the pregnancy and maternity protected characteristic, Councillor Smith questioned whether this included adoption and duty of care. Andrew Moulton agreed to check.
- Councillor Smith asked how mandatory staff training was monitored. Andrew Moulton commented that mandatory training was monitored at Directorate level and by the Corporate Leadership Training.
- In response to a Member question, Andrew Moulton indicated that he was not aware of any decisions that had been changed as a result of an equality impact assessment being undertaken.
- Councillor Burgess stated that the Council's equality objectives needed to be SMART.
- Officers could find guidance on undertaking equality impact assessments on the intranet. The Strategy and Commissioning team could also provide advice if required.

#### **42. FORWARD PROGRAMME 2019-2020**

The Committee considered the forward programme for the remainder of the municipal year.

Members asked that Matt Pope, Director Adult Social Care, be invited to the Committee's next meeting to discuss key risks in adult social care.

**RESOLVED:** That the forward programme be noted.