

# Meeting of the Governance and Audit Committee



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

Tuesday, 26 September 2023, 10.00 am

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## **Committee Members present**

Councillor Tim Harrison (Chairman)  
Councillor Paul Wood (Vice-Chairman)

Councillor Patsy Ellis  
Councillor Bridget Ley  
Councillor Charmaine Morgan  
Councillor Rob Shorrocks  
Councillor Sue Woolley  
Councillor Graham Jeal  
Councillor Mark Whittington

## **Cabinet Members present**

Councillor Ashley Baxter (Deputy Leader of the Council)  
Councillor Richard Cleaver (Leader of the Council)  
Councillor Philip Knowles (Cabinet Member for Corporate Governance and Licensing)

## **Other Members present**

Councillor Ian Selby

## **Officers**

Karen Bradford (Chief Executive)  
Richard Wyles (Deputy Chief Executive and S151 Officer)  
Graham Watts (Assistant Director of Governance and Monitoring Officer)  
Nicola McCoy-Brown (Director of Growth and Culture)  
Craig Spence (Acting Director of Housing)  
Alison Hall-Wright (Assistant Director of Finance and Deputy S151 Officer)  
Adrian Ash (Interim Assistant Director of Operations and Public Protection)  
Claire Moses (Head of Revenues, Benefits, Customer and Community)  
Phil Swinton (Emergency Planning and Health and Safety Lead)  
Tracey Elliot (Governance and Risk Officer)  
Amy Pryde (Democratic Services Officer)

Harkamal Vaid, Grant Thornton Auditor  
Laurelin Griffiths, Grant Thornton Auditor  
Claire Goodenough, Assurance Lincolnshire Auditor  
Louise Pocklington, Assurance Lincolnshire Auditor  
Matt Waller, Assurance Lincolnshire Auditor (Virtual)

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## **28. Apologies for absence**

Apologies for absence were received from Councillor Ian Stokes and Councillor Peter Stephens.

Councillor Mark Whittington substituted for Councillor Ian Stokes.

Councillor Graham Jeal substituted for Councillor Peter Stephens.

## **29. Disclosure of interests**

No interests were disclosed.

## **30. Minutes of the meeting held on 12 July 2023**

The minutes of the meeting held on 12 July 2023 were proposed, seconded and **AGREED** as a correct record.

## **31. Updates from previous meeting**

The Chairman noted that the Statement of Accounts report would be heard at the meeting held on 29 November 2023.

## **32. External Audit Findings 2021-2022**

The External Auditors presented the report which outlined their audit findings for the 2021/22 financial year.

There were no significant issues found within the external audit findings and the report included adjusted and unadjusted misstatements, primarily around minor discrepancies in testing of property valuations and the result of the tri-ennial pension valuation of the LGPS.

Clarification was sought around the property valuation differences and whether it was completed on a sample, and if so, what percentage of the overall assets were looked at.

The External Auditor confirmed that only a sample of properties were tested but the population was risk assessed when the sample was picked out. The properties considered to be most 'out of line' of expectations were generally selected.

As part of the External Auditors concluding, they had considered whether the sample could be indicative of wider problems within the population. Assurance was given that the samples were a fair reflection of the issues within the population as a whole.

One Member noted that the pension liability had increased by £4.3m. It was requested as to what the level of risk would be around the pension liability.

The 2021/22 accounts included the tri-ennial evaluation of the LGPS which was a full evaluation of the fund, as at the 31 March 2022. It gave better information about the membership and liability of the fund as a whole than the previous information. The number in the accounts was the most accurate estimate that was possible to make of the viability.

It was queried as to whether the significant risks outlined were specific to South Kesteven District Council or whether they were general risks identified across several Council's.

The External Auditors clarified that the significant risks identified for South Kesteven District Council were effectively the three risks usually identified across all of Local Government. Management override of controls was an assumed risk by all external auditors at all entities, regardless of sector. The valuation of the Council's properties and the valuation of the Council's pension liability were the two largest estimates in the accounts, therefore, generally were considered to be numbers most susceptible to error.

It was noted that the Council's value for money arrangements had not been completed and therefore, the External Auditors were not in a position to issue the auditor's annual report. It was queried as to whether this report had been provided and why the reasoning behind the delay of the report.

The External Auditors had not yet issued their annual report with the value for money findings within it. The delay had effectively been due to the external auditors prioritising the delivery of the financial statements audit over the delivery of the value for money work. Had any particular concerns been identified in relation to the value for money work, this would have been reported with urgency.

Work was being undertaken for a combined 2-year Auditor's Annual report to cover the 2021/22 and the 2022/23 financial years. It was hoped to bring the report to the next meeting of the Governance and Audit Committee.

The Deputy Chief Executive (S151 Officer) thanked the Finance Team and the External Auditors for the presentation of the report.

It was queried as to whether the five individuals who had super user access to the ledger were in line with the suggestions made by the External Auditors.

Super users had a degree of access to the ledger, which normal users would not have. This inherently came with some risk around super users obtaining tasks they should not be accessing within the ledger. It was stressed that throughout the external auditor's work of addressing the risk of management override within the financial systems, there were no concerns identified.

The Assistant Director of Finance (Deputy S151 Officer) confirmed that a review on the number of super users within the system had taken place to reduce the number

of users. A monthly check would also be incorporated to review the posted journals. Assurance was provided that a journal in the system was a debit and a credit and therefore had a low risk, as it could not be taken outside of the finance system.

Concern was raised around the completeness of related party returns and risk regarding influencing decision-making. Clarification was sought around what actions had been taken in regard to the concern.

In 2023, the Council received all but one related party return was the responsibility of Members and Senior Officers to ensure these returns were completed and returned. The forms were part of mandatory training, and five reminders would also be sent to the individual.

One Member queried whether Companies House had been updated in terms of Directorship for Council owned companies.

The Assistant Director of Finance (Deputy S151 Officer) confirmed that Companies House had been updated to reflect Directorships of the Council owned companies.

It was stated that the accounts movement in reserves statement should be updated to meet all requirements of the Code. It was queried as to why the Council had not amended it yet.

The External Auditors clarified it was a presentational issue and there were no concerns with the underlying accounting, just the presentation of the statement.

It was proposed, seconded and **AGREED** to accept the External Audit Findings for 2021-2022.

### **33. External Audit Plan 2022-2023**

The External Auditor presented the plan. The auditors were making good progress of the plan, it was hoped the plan would be completed by the end of November and be brought back to the next Governance and Audit Committee meeting.

The significant risks were the same risks as presented in the previous year, no findings from the 2021/22 audit were presented to any additional significant risks.

The materiality had slightly increased for 2023, which was often considered to be an increase in expenditure throughout the Council.

Regarding group audits, the auditors were placing reliance on the work completed by the company auditors for Leisure SK Ltd and they would be completing their own procedures for Gravitass Ltd.

It was queried as to whether the work undertaken by External Audit relied on the work produced by Internal Audit in terms of process and procedures.

A query was raised regarding management override of controls actions and whether any responsibility was left with Internal Audit on the control framework.

It was confirmed that External Audit did not rely on any work of Internal Audit. External Audit considered the work that Internal Audit had undertaken and had considered the findings as part of their risk assessment to determine whether there was any particular work in areas that may require more attention. All of External Audit substantive testing was done by the External Auditors.

One Member requested when the Committee would expect to see assurances and test results from the Lincolnshire Pension Fund.

External Audit were awaiting a response from the Lincolnshire Pension Fund to provide their date of assurance. The date was unknown at present.

The Assistant Director of Finance (Deputy S151 Officer) further confirmed that External Audit were not able to sign off the Council's accounts until the Pension Funds Accounts had been audited and signed off by their own external auditors.

It was proposed, seconded and **AGREED** to accept the External Audit Plan 2022-2023.

#### **34. Internal Audit Progress Report**

The Internal Auditor presented the report. The report set out the purpose of the regular progress reports, which was to update the status of external audit and progress against the internal audit plan. The summary of the work completed was around issues that impacted on the Head of Internal Audit's annual opinion.

The report included the performance dashboard, which included the 22% of work that internal audit had undertaken, as well as updates on internal audit activity where the concerns had been raised on the conduct of Officers.

Assurance Lincolnshire had been the Council's Internal Auditors since April 2022. The Head of Internal Audit report that concerns had been raised with the Head of Paid Service in June 2023 regarding interactions and conduct between the Audit Team and Council Officer's.

She added that, in August 2023, an audit had taken place on an element of governance delivery. During the assignment, it was her opinion that the behaviour observed resulted in a material breach to the Audit Charter which had been signed upon the contract in April 2022. At this point, the termination clause in the contract was activated for internal audit services.

On the 29 August 2023, Internal Audit met with the Head of Paid Service and issued the termination notice of 30 days.

One Member queried whether it was common for issues to arise and whether problems had occurred with any other of the auditor's clients.

It was confirmed that Assurance Lincolnshire had over 40 clients and these issues had not occurred with any other clients.

Concern was raised around accounts payable in respect of the debtors report and the issues identified on basic internal control assurance.

It was queried as to how the scoping of the Internal Auditor's work had taken place and whether future internal audit work may require more in depth investigating.

The Head of Internal Audit explained that, in her opinion, due to the lack of liaison between Internal Auditors and the Council, audits were not scheduled in and therefore no scoping work had taken place.

Internal Audit raised concerns of inaccuracies within the Officer's management response to the debtor report. The management response stated that no actions were needed and the audit did not identify any fraud or error, this demonstrated to Internal Audit that Officers had a lack of understanding on the role and function of the impartial, qualified auditors. Internal Auditors would not base a risk rating on the amount of work required to address a tested fail or whether errors and omissions were found at that stage.

It was highlighted that South Kesteven District Council seemed to have one of the smaller internal audit plans in Lincolnshire. In the Internal Auditor's opinion, the Council had a high issue of low assurance opinions across the control environment.

One Member requested the results of other Internal Audit's that Assurance Lincolnshire had carried out.

Including the whistleblowing audit and the work that Assurance Lincolnshire had undertaken through 2022/23, the Head of Internal Audit reported her estimate that the Council was approximately 40% negative assurance across the control environment that internal audit had tested.

It was queried as to whether Assurance Lincolnshire had experienced staffing changes during the contract with the Council, as prior to this, the Council was receiving substantial assurance on internal audits.

Assurance Lincolnshire confirmed that staffing changes occurred in January 2023. The previous Internal Audit Manager had several roles vacant and was provided with support in order to deliver as best as possible.

One Member noted that the executive summary mentioned credit notes of £826,000 being issued between April 2022 and February 2023, which represented 17.4% of invoice demands. It was queried as to whether this was a matter of a concern.

Assurance Lincolnshire clarified that two other District Council's had credit notes percentage of 1-2%.

A query was raised in relation to the percentage of audits with low assurance, it was further questioned as to what the percentage of low assurance would be from other District Councils.

It was clarified that South Kesteven District Council was an outlier on the percentage of low assurance, it was much lower for other Assurance Lincolnshire clients.

The Assistant Director of Finance (Deputy S151 Officer) had carried out further analysis on credit notes. Examples were provided of credit notes that had been raised, which included invoices raised for an incorrect amount which were credited and then re-raised, inclusion of VAT in error and re-raised, incorrect purchase numbers, incorrect planning references. Out of the £950,000 of credit notes raised in the year, £822,000 had replacement invoices raised for them as a result of clerical errors.

Members asked Assurance Lincolnshire to describe their experience of working with the Authority and whether the concerns mainly sat within process and procedures or wider, cultural issues.

The Audit Manager and Senior Auditors held the majority of the contract with the Officers. It was emphasised, from the perspective of Assurance Lincolnshire, that there had been a lack of engagement and liaison with Officer's and concern was raised that Officers had a lack of understanding of the role of Internal Audit.

One Member noted that the overdue high priority actions had received comments of 'response not received'. It was queried as to why this had been the case.

Internal Audit had run a tracker process and communicated with specific Officer's within the Council and tracked all of their recommendations. A shorter period of time for a response was given for Officers in regard to the action relating to the debtors report.

The Deputy Chief Executive (S151 Officer) clarified that management responses were included within the reports provided by Internal Audit. Assurance Lincolnshire had attended a CMT meeting on 19 April 2023, where a draft plan was discussed.

It was confirmed that the debtors report was agreed on the 21 July 2023, Internal Audit sent a spreadsheet on 24 July 2023 to Council Officers, which did not include any of the debtors' actions. The spreadsheet was returned to Internal Audit at the end of August 2023. On the 1 September 2023, an email was sent back and missed by an Officer that included the debtors' actions.

Following the CMT meeting, the Council went into a pre-election period ahead of the local elections held in May 2023. The draft plan was then considered by a new

membership of the Governance and Audit Committee in June 2023. At the Governance and Audit Committee meeting in July 2023, Members emphasised the necessity for Assurance Lincolnshire to undertake the audits in the agreed plan within the remaining period of time.

It was suggested that Internal Audit had previously stated their resourcing issues which meant no guarantee could be made that the plan previously approved by the Committee, would be delivered within the remaining period of time.

In terms of liaison meetings, the Deputy Chief Executive (S151 Officer) met with the Head of Internal Audit in April 2023. Liaison meetings had not taken place since that time due to the plan itself not being approved until June 2023. The Council had the expectation that a contracted service would reach out to the Council as the paying customer to organise the liaison meetings. This arrangement had not taken place.

Officers had accepted the issues outlined in the debtors report, a meeting had taken place with Council's Officers with Internal Audit to discuss individual recommendations and for the Council's assessment to provide further information and a broader discussion about the level of assurances provided by Assurance Lincolnshire. However, levels of assurance had not changed following the audit.

The Deputy Chief Executive (S151 Officer) raised concerns that the progress report was inaccurate in terms of some of the narrative written and Officers disagreed with certain commentary included. There were such significant inaccuracies that it was considered necessary to submit a management response report to the Internal Progress Report and this was available for Members to consider.

The Head of Service - Revenues, Benefits, Customer and Community reassured the Committee that they had a clear understanding of the role of the Council's internal audit function. Email exchanges had taken place with a Senior Internal Auditor in advance of and during the audit, as well as meetings. An updated management response was sent to Assurance Lincolnshire on 10 July 2023. The final report was received on the 21 July. Meetings had taken place within the team to discuss and put into place activities against the 17 management actions: five were complete, eight were in progress and four were linked to the new unit 4 finance system, which would be implemented on the 1 April 2024.

The Assistant Director of Finance (Deputy S151 Officer) provided the Committee with further context of the progress report. The debtor's report was agreed on the 21 July 2023, internal audit sent a spreadsheet on the 24 July which did not include any of the debtor's actions. The spreadsheet was then returned to internal audit at the end of August 2023. On the 1 September 2023, an email was sent which included the debtor's actions but was not sent to the responsible Officer.

One Member stated that they would expect timescales to be set out in a contract on the expectations of response times between the Council and Internal Audit. It was

suggested that the contract and standards be revisited in future with the Audit Charter in terms of the client contractual relationship.

The Deputy Chief Executive (S151 Officer) confirmed that operating protocols were successful with the previous Internal Audit team prior to April 2022. The protocols established the working relationship between two parties and the expectations of reports being issued, management responses being received and meetings. The protocols were well established with the previous Internal Auditors.

It was confirmed that interim Internal Auditor arrangements were in place and would come into effect the day after Assurance Lincolnshire's notice period ended. The Council was also going to the market and inviting other Internal Audit organisations to bid for the work to enable continuity beyond the interim arrangement.

The Chief Executive provided the Committee with reassurance that mediation meetings were put in place in an attempt to improve working relationships and improve protocols between the Council and Assurance Lincolnshire. Prior to the meeting taking place, the Chief Executive was issued with a notice of termination. An extension of the notice to 60 days was requested by the Chief Executive in order for work to be completed. Assurance Lincolnshire subsequently declined the extension due to staffing availability.

One Member suggested that the Internal Audit Plan be revisited with urgency to address current issues and compare audit plans to other authorities, prior to any scoping due to take place with future Internal Auditor's.

Members were referred to the Audit Report, where it outlined five substantial assurances since September 2022 on the work of the Council based on the Audit Plan. The Committee was reassured that the new Internal Auditor's would be delivering the full Audit Plan which is required for 2023/24 within a five-month period.

It was clarified that revisiting or increasing the plan would be unreasonable for the new auditors to deliver within a five-month period. There had not been any feedback to suggest that the authority was being 'under-audited'.

Concern was raised on key control testing assurances. It was suggested that this also be reviewed.

The Committee noted the Council's management response included within the agenda pack with regard to this item.

It was proposed, seconded and **AGREED** that the Governance and Audit Committee:

- 1. Approved the scope and the budget of the Internal Audit Plan for 2024/25 and agreed for this to be added to the Work Programme.**

2. **Agreed that the Internal Audit Plan for 2023/24 continues as approved by the Governance and Audit Committee in June 2023.**

3. **Agreed to revisit the Internal Audit Charter.**

Having been proposed and seconded, under Section 100 (a)(4) of the Local Government Act 1972, it was **AGREED** that the press and public be excluded from the meeting on the grounds that if they were to be present, exempt information could be disclosed to them as defined in the relevant paragraphs of schedule 12a of the Act.

The remainder of this item was considered in closed session.

It was proposed, seconded and AGREED that the Governance and Audit Committee:

1. **Undertakes a review of its Whistleblowing Policy.**
2. **Requests that a re-investigation takes place by the Council's External Auditors of the original Whistleblowing report, included the wider scope of the investigation agreed with the Chief Executive and Chairman of the Governance and Audit Committee**
3. **Request that all Officers of the Council receive further training on the Whistleblowing Policy.**

### **35. Internal Audit Annual Report**

The Internal Auditor presented the report.

The Public Sector Internal Audit Standards required internal audit to undertake assessments of the overall adequacy and effectiveness of the organisation's framework of governance, risk and control. Sources of information typically came from audits undertaken, observations, follow up implementation for actions agreed, any material risks identified, notable changes to objectives, processes and infrastructure and assurances from third line reports and regulators.

The work undertaken through the internal audit plan had not provided sufficient background information to make a determination solely based on the audit work. As part of the review process in May 2023, Internal Audit requested any second and third line reports that had been completed across the year. One of the reports requested related to the markets work cited as being completed by third party. This was deemed not relevant and there was no case of fraud.

The original review took place at the end of 2022/23, which was supported by the original action plan shared with the Committee in June 2023, which showed of the 30 tasks listed, 11 had completion dates prior to the end of March 2023.

The report summarised the key concerns which include six financial controls relating to payment to operatives charging fees for waste, trade fee anomalies and

inconsistencies, pitch fees not reflective of pitch size, unclear fee calculations and application of discounts and calculations of cash collected and record keeping.

The Internal Audit Annual Report was noted.

The Committee also noted the Council's management response included within the agenda pack with regard to this item.

### **36. Start Times of Council Meetings**

The Cabinet Member for Corporate Governance and Licensing presented the report to consider different times for meetings, and in particular Full Council meetings. A questionnaire had been undertaken to receive feedback from Members on their preferred times of meetings relating to Full Council, Cabinet and other Committee meetings.

There had been a 62% response rate on the questionnaire, however, it was not very conclusive on whether Members wishes to retain current meeting times or not, with the exception of Full Council.

The Assistant Director of Governance highlighted the overview of the questions asked on the questionnaire and the responses received, which were set out in the appendices to the report.

In regard to the timing of Full Council meeting, the majority of respondents wished for a revised times of Full Council and the most responses had a preferred start time of 2pm.

In relation to Cabinet and other Committees, there was no response that outlined a request for the star times to change. It was suggested that the Leader of the Council determines the start time of Cabinet and Chairman of other Committee's determine the start times of their meetings.

It was proposed, seconded and **AGREED** to request the Chief Executive to consult with the Chairman of the Council regarding a 2pm start for Full Council meetings going forward.

*(At this stage of proceedings, it was proposed, seconded and **AGREED** to extend the meeting beyond three hours in duration)*

### **37. Local Government and Social Care Ombudsman - Annual Review Letter 2022-2023**

The Cabinet Member for Corporate Governance and Licensing presented the report which was an annual report for 2022/23, recording the Council's activities in relation to complaints investigated by the Local Government and Social Care Ombudsman. This report highlighted that three complaints had been subject to investigation by the Ombudsman during 2022//23, with one complaint being upheld from the

perspective of the timescale associated with address the matter as opposed to the Council's decision-making processes.

A concern was raised on the process of the Ombudsman Service being the final stage of handling issues. It was queried how aware Members and public were around the Council's complaints process and how this led onto referrals to the Ombudsman.

It was recommended that training be provided to all Members and Officers on the Council's complaints process in order that further clarity could be provided to members of the public should they require it.

The Assistant Director of Governance confirmed that the Council had a Customer Feedback Policy that set out the complaint process to the Council. Any correspondence received, at any stage of a complaint response set out what the next stage would consist of. The Ombudsman would not consider a complaint usually, if the internal complaints process of an authority had not been exhausted.

It was requested that a review of Council complaints be added to the Committee's Work Programme for a future meeting.

**ACTION: For the review of Council complaints to be added to the Committee's Work Programme for a future meeting.**

Concern was raised that the same Officer was dealing with stage 1 and stage 2 of a complaint. It was noted that stage 1 and 2 should be dealt with by 2 different Officers, which did occur in accordance with the Council's policy.

The Chief Executive clarified that housing complaints were not covered by the Local Government Ombudsman and were reviewed by the Housing Regulator as a separate Ombudsman arrangement.

The process of housing complaints was a strict process and differed from the corporate complaint process.

It was proposed, seconded and **AGREED** for Officer's to collate a report to review the data on stage 1 and stage 2 complaints, number of complaints being referred to the Ombudsman and the number of complaints received in different services areas, to include those in relation to housing.

**ACTION: For a review of the data on complaint's be added to the Work Programme for the meeting being held on 24 January 2023. The data will include information from April 2023-January 2024.**

### **38. Counter Fraud Annual Report 2022-2023**

The Cabinet Member for Corporate Governance and Licensing presented the report that covered years 2022-2023. The Committee was requested to approve the contents of the report, including the proposed action plan for 2023/24.

Section 3 of the report provided details of the whistleblowing referrals received by the confidential reporting line, which had been managed by Assurance Lincolnshire on behalf of the Lincolnshire Counter Fraud Partnership and acted as a central point of contact.

Section 3.4 of the report detailed the number of whistleblowing referrals received by Lincolnshire Authorities. Section 3.7 included the categories of those allegations. Section 5 reported on the details of the arrangements the Council had in place for housing benefit and council tax support. It also provided a summary of the housing benefit overpayment recovery for 2022/23. Section 6 provided details of arrangements in place for single person discount fraud.

The Council's primary approach for checking single person discount entitlement was tested via a countywide counter fraud review, which was likely to take place in 2023.

Section 7 of the report provided information regarding the process the Council followed in 2022/23 to ensure that eligible businesses had retail discount applied to their business rates account.

One Member raised concern of the Council's high whistleblowing figures compared to other Authorities.

It was queried as to how housing benefit overpayments were made and what measures could be put into place to refrain the overpayments.

Clarification was sought around the process of business rate relief and the assurance of businesses receiving the correct level of relief or possible overpayments.

The Assistant Director of Finance (Deputy S151 Officer) clarified that the high number of whistleblowing referrals may be due to the Council being a housing authority. The Council primarily utilised the confidential reporting line for all whistleblowing, whereas other authorities may have different ways of reporting council tax fraud and housing benefit fraud.

A breakdown in the report highlighted that nine were related to potential tenancy fraud, eight for benefit and council tax fraud, one relating to business rates and four relating to anti-social behaviour.

It was clarified that housing benefit fraud was primarily due to tenants not informing the Council of their claims requiring a reassessment. If housing benefit and council tax support had been overpaid, the Council would make an arrangement with the individuals to repay the monies back to the Council.

The business rate relief was automatically applied to accounts ready for bills to be issued for April each year. Businesses were requested to complete an application form to state their eligibility for the relief. If the application form was not received, the relief was removed from the account in May of each year. The businesses could reapply for the relief if necessary, which would mean the businesses was not given relief that they would then be required to pay back to the Council.

It was queried as to what level of publicity was given to business rate relief for businesses. Concern was raised that certain businesses may not be aware of their eligibility.

The Council sent out letters to businesses in the District to encourage businesses to apply and claim for business rate relief or suggest why they may not be eligible.

The Cabinet Member suggested that the whistleblowing policy remained as it was. The Auditor had stated that the policy was fit for purpose and did not require reviewing.

It was proposed, seconded and **AGREED** to approve the contents of the report including the proposed action plan for 2023/24.

### **39. Health and Safety Annual Report 2022-2023**

The Cabinet Member for Corporate Governance and Licensing presented the report that outlined the positive recording of health and safety measured and had received substantial assurance from auditors.

It was queried as to how the Council monitored whether policies were being followed or not.

The Health and Safety Lead confirmed that service areas undertook random monitoring of activities and independent monitoring by the Health and Safety Team was due to take place for higher risk safety areas.

One Member queried as to whether the annual report was in relation to Council employees or public that attended Council facilities.

The annual report considered the corporate operations within the Council and Council employees in terms of how the Council operated its risk control and mitigations with Officers and their practices.

Clarification was sought around the reason street scene had a high level of health and safety concerns.

It was clarified that street scene had the highest number of accidents and incidents due to the large number of staff within the service area, being required to work within the public domain and operate a large number of different vehicles.

One Member queried the vehicle accidents and incidents and whether the outcome was injured members of staff or public. The Council's fleet insurance was questioned as to the outcome of a third-party being involved in an accident or incident.

Concern was raised on the number of vehicular incidents and clarification was sought around the mechanical failure that had occurred.

The mechanical failure was related to part of a caged vehicle that had a failure of the hydraulic ramp. There were three vehicles of this type at the time, and all three vehicles were removed from the service whilst the manufacturer investigated.

**That the Committee:**

**1. Notes the Health and Safety report for the period 2022/23.**

#### **40. Market Service Operational Review**

The Deputy Leader of the Council presented the report which provided an update on the operations of the markets, not the future direction of the markets or the strategic review of the markets.

The appointment of a Markets Manager was ongoing and interviews were taking place.

It was noted that long term commercial viability of the markets was dependent on the outcome of any future market strategy which would influence future market operations.

One Member raised concern over actions marked completed in March 2023 on the action plan that were not complete in certain market towns. These related to the establish of working hours and roles, job descriptions, health and safety implications and consultation with impacted market operatives.

The Interim Assistant Director of Operations and Public Protection clarified that job descriptions had been written and evaluated. The job descriptions consultation with the market staff was due to take place during October/November 2023.

The report stated that formal consultation would take place during June 2023.

It was highlighted that the change of staff and the summer holidays had impacted the consultation being completed. Market staff only worked Thursdays, Fridays and Saturday, where 50% were casual staff and the other 50% were already working with the Council.

The urgency of health and safety mitigations for the Council's markets was emphasised.

One Member noted that the Council was starting to implement a 'pay by card' system for the payment of the stalls. It was queried as to whether any traders were not satisfied with the 'pay by card' option and as a consequence had indicated that they would not be returning to the market due to the payment type.

The Deputy Chief Executive (S151 Officer) clarified that traders also had a direct debit option available to pay for their stall. There had been no negative responses received in regard to payment types.

Operatives that collected payment in cash were depositing the monies on the day of the market.

It was noted that the job descriptions for the markets were being amended rather than re-created to reflect current practices of the markets.

A query was raised on what provisions were in place for when markets were not busy and whether the traders were contracted to stay for a certain period of time.

**That the Governance and Audit Committee:**

**1. Notes the updated position with respect to the Markets Operational Action Plan.**

**41. Work Programme 2023- 2024**

The Committee noted the contents of the Work Programme 2023-2024.

**42. Any other business, which the chairman, by reasons of special circumstances, decides is urgent.**

There was no other business.

**43. Close of meeting**

The Chairman closed the meeting at 14:05.