

MINUTES OF A MEETING OF THE  
PERFORMANCE, AUDIT AND  
GOVERNANCE SCRUTINY COMMITTEE  
HELD IN THE COUNCIL CHAMBER,  
WALLFIELDS, HERTFORD ON TUESDAY  
23 MAY 2017, AT 7.00 PM

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PRESENT: Councillor M Pope (Chairman)  
Councillors A Alder, P Ballam, R Henson,  
J Kaye, W Mortimer, D Oldridge, L Radford,  
S Reed, P Ruffles, S Stainsby, T Stowe,  
C Woodward and J Wyllie.

ALSO PRESENT:

Councillors M Allen, M Freeman,  
M Stevenson and G Williamson.

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Democratic Services Officer
Isabel Brittain	- Head of Strategic Finance and Property
Fiona Corcoran	- Scrutiny Officer
Emily Coulter	- Graduate Management Trainee
Jonathan Geall	- Head of Housing and Health
Louise Harris	- Housing Strategy and Development Manager
Jess Khanom	- Head of Operations
Mark Kingsland	- Leisure Services-Manager
Claire Pullen	- Engagement and Partnerships Officer (Grants)

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| Alison Stuart | - Head of Legal and Democratic Services       |
| Noel Wallis   | - Information Analyst                         |
| Liz Watts     | - Chief Executive                             |
| Ben Wood      | - Head of Communications, Strategy and Policy |

ALSO IN ATTENDANCE:

- |               |                             |
|---------------|-----------------------------|
| Darren Bowler | - Shared Anti Fraud Service |
| Nick Jennings | - Shared Anti Fraud Service |

30 COVALENT DEMONSTRATION: ONLINE PORTAL FOR MEMBERS TO ACCESS PERFORMANCE DATA

The Improvement and Insight Analyst provided a demonstration on the on-line portal Covalent which provided time relevant and detailed information on the performance of the Council.

In response to a query from Councillor M Allen, the Officer explained that the information provided was “read only” and therefore could not be altered in any way.

The Head of Communications, Strategy and Policy explained that the system now used was an improvement on that used 18 months ago in that it was “live” and was a better product than in the past; used less resources and provided more timely information. He reminded Members that any issue of concern to Members could be “drilled down” for a more complete analysis and the issue explored further with the appropriate Officer.

Members received the presentation.

RESOLVED – that the presentation be received.

31 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed Members and guests to the newly established Performance, Audit and Governance Scrutiny Committee.

The Chairman stated that, with Members' consent, agenda item 9 (Scott's Grotto; Asset Transfer) be considered after agenda item 5 (Declarations of Interest). This was supported.

32 APPOINTMENT OF VICE-CHAIRMAN

It was moved by Councillor J Kaye and seconded by Councillor C Woodward that Councillor J Wyllie be appointed Vice-Chairman of Performance Audit and Governance Scrutiny Committee for the Civic Year 2017/18.

RESOLVED – that Councillor J Wyllie be appointed Vice-Chairman of Performance, Audit and Governance Scrutiny Committee for the Civic Year 2017/18.

33 APOLOGIES

Apologies for absence were submitted on behalf of Councillors P Boylan and K Crofton. It was noted that Councillors C Woodward and Councillor W Mortimer were substituting for Councillors P Boylan and Councillor K Crofton respectively.

34 DECLARATIONS OF INTEREST

Councillor P Ruffles commented that although not a disclosable pecuniary interest, he asked that his membership of Ware Society be recorded and that he was also a "Champion" of the Historic and Built Environment.

Councillor P Ballam asked that her membership of Ware Society also be noted.

The Committee Chairman, Councillor M Pope asked that his membership of Ware Society and Ware Town Council be noted.

### 35 SCOTT'S GROTTO ASSET TRANSFER

The Executive Member for Economic Development submitted a report setting out the background of Scott's Grotto in Ware and of the options available in terms of its future management arrangements. The Head of Communications, Strategy and Policy explained that ultimately, any decision to dispose of Scott's Grotto would be taken by the Executive but welcomed the views of Scrutiny Committee Members on the issues outlined in the report. He provided a summary of the report and highlighted the options for Members' consideration, which included the establishment of a trust and transferring Scott's Grotto or a "do nothing" approach.

The National Management Trainee provided an overview of the report adding that Members' views were also being sought on the best model which could be adopted, adding that if Executive Members agreed to support the establishment of a Trust, then its governance arrangements and objectives must be appropriate and sustainable.

Three Members of Ware Society were in attendance and referred to the Society's long and harmonious relationship with the Council. A brief overview of its historical value and local interest was provided. The Society's representative explained that its "ad hoc" management arrangements were no longer adequate and that the Grotto was falling into disrepair as the recent condition survey had revealed. The Society supported the establishment of a Trust represented by both parties and urged Members to support a one-off lump sum to carry out urgent works.

Members debated the report at length, including the establishment of a Trust, and discussed in detail, the impact of this generally and financially on prospective Trustees. Members supported the concept of establishing a Trust in order to secure the advancement of Ware's heritage by

protecting the Grotto, summerhouse and the surrounding gardens and in ensuring that it continued to be available to the community.

In relation to the appointment of trustees, Members debated the liability of trustees and were of the view that if a Trust was to be established then any trustee (of at least three) should be appointed with the appropriate skills and areas of expertise to support the Trust's objectives and sustainability. Additionally, legal advice would need to be obtained on the issue of a trustee's indemnity in order to minimise their liability.

The Head of Communications, Policy and Strategy commented that the establishment of a Trust would help in securing grant funding. This was supported.

Members debated at length the best financial model to adopt, (given the condition survey) and one which might incentivise sustainability. Ware Society supported a "one-off" payment. Members were of the view that grant funding should also be explored.

The Head of Strategic Finance and Property explained that from a financial viewpoint, the preferred approach of the Council would be to support the allocation of a smaller lump sum as a means of securing match (grant) funding and to ring-fence the sum of £50,000 which would be released in agreed phases and should be subject to the provision of some form of service level agreement. This was supported.

The Head of Communications, Strategy and Policy acknowledged that any investment needed to first address urgent repair works.

Councillor P Ruffles stated that Members needed to make it clear to the Executive, that the successes of the past had been largely due to the work of Ware Society and while the Grotto did not fit within the Council's corporate priorities, the Council needed to be able to deal with "quirks" which were important to the District as a whole. Councillor P Ballam supported these comments adding that Scott's Grotto was the

largest in the country and brought community and educational benefits.

Members were of the view that the Executive be advised that Performance Audit and Governance supported the establishment of a trust, in order to secure the advancement of Ware's heritage by protecting the Grotto, its buildings and heritage and in ensuring that it continued to be available to the public. Additionally, Members acknowledged the need to appoint trustees (of at least three) with appropriate skills and areas of expertise in order to support objectives and sustainability but felt that the liability of those trustees needed further exploration to ensure the necessary safeguards were in place and to minimise their liability.

In terms of the best financial model, Members supported the allocation of a smaller lump sum (but that the sum of £50,000) be ring fenced as a means of securing match (grant) funding which would be released in agreed phases and subject to the provision of some form of service level agreement.

RESOLVED – that the Executive be advised (A) Performance, Audit and Governance Scrutiny Committee supports the establishment of a Trust, in order to secure the advancement of Ware's heritage by protecting the Grotto, its buildings and heritage and in ensuring that it continued to be available to the community as a whole;

(B) if a Trust was to be established, a minimum of three trustees be appointed with appropriate skills and areas of expertise, in order to support objectives and sustainability (once the necessary safeguards were in place to protect them and minimise their liability); and

(C) the allocation of a smaller lump sum be supported as the best financial model (but that the sum of £50,000) be ring fenced as a means of securing match (grant) funding which would be released in agreed phases and subject to the provision of some form of service level agreement.

36 SHARED ANTI-FRAUD SERVICE - MARCH 2017

The Shared Anti-Fraud Service (SAFs) submitted a report on the progress made against the Anti-Fraud Action Plan as at 31 July 2016.

The Counter Fraud Officer provided updates to the report which had been made after the report had been published. He explained that additional staff had been taken on board to add to the robustness of the service. The issue of value for money in relation to the service provided, investigation and detection of fraud was discussed and assurances provided by the Counter Fraud Officer. He explained the difficulties in trying to measure the value of the service as a deterrent but stated that as a “visible” deterrent to potential fraud, the service had value.

The Counter Fraud Officer explained that the Anti-Fraud and Corruption Policy was due for review. Members asked that the report be submitted to them for consideration.

The Counter Fraud Officer provided an update in relation to outstanding items on the action plan. Updates were also provided in relation to the “Cheater Campaign” and the value of running such a campaign in tandem with others. Councillor P Ballam asked if Fraud Awareness Training could be added to the work programme. This was supported.

In response to a query from Councillor D Oldridge regarding an excess of revenue which might be generated as a result of successful prosecutions, the County Fraud Officer assured Members that the revenue “stayed” with the Council. He explained in what circumstances and how, expenses between partner organisations were shared.

The Committee noted the progress of the Shared Anti-Fraud services and the progress made against the Anti-Fraud Action Plan 2016/17 and agreed the Anti-Fraud Action Plan 2017/18.

RESOLVED – that (A) the progress of the Shared Anti-

Fraud Service and the progress made against the Anti-Fraud Action Plan 2016/17 be noted; and

(B) the Anti-Fraud Action Plan 2017/18 be agreed.

### 37 ANNUAL LEISURE CONTRACT PERFORMANCE REPORT FOR 2016

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The Head of Operations submitted a report on the eighth annual review of the Council's ten year leisure contract with Sport and Leisure Management Limited (SLM) trading as "Everyone Active". The Head of Operations and Leisure Services Manager provided a summary of the report which comprised two elements, performance in relation to the specification of the contract and qualitative successes and improvements.

Members sought and were provided with clarification on a number of issues including:

- Swim profiles and frequency (Hartham and Grange Paddocks swimming pools);
- Interventions to address the "drop off" in attendance in relation to the 60+ age range;
- Investment and the Council's liability;
- The curtailment of designated swimming areas for people with disabilities and whether this could be reinstated and extended to Grange Paddocks and Hartham Swimming Pools;
- Why public satisfaction levels for Grange Paddocks was only considered to be "Fair";
- Issues of cleanliness (Grange Paddocks), the aspirations of the public, monitoring and inspection levels;
- Competition from other (private) gyms and how well



SLM compared in terms of the services provided.

The Head of Operations explained that a full report would be presented to Overview and Scrutiny Committee on 13 June 2017 reviewing the future direction of travel of all leisure facilities. It was noted that the issue of equality and diversity was currently being reviewed by a Task and Finish group on leisure services issues.

The Chairman raised the issue of “Net Cost of the Leisure Service per user” and sought further information about national comparators. The Head of Operations undertook to review the figures on a county wide basis and write to Members.

The Committee received the Annual Report and asked that Members be provided with subsequent annual reports.

RESOLVED – that (A) the eighth Annual Report of the Council’s ten year leisure contract with SLM be received; and

(B) Members be provided with subsequent annual reports on the Council’s leisure contract providers.

## 38 HOUSING AND HEALTH STRATEGY ACTION PLAN UPDATE 2017

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The Executive Member for Health and Wellbeing submitted a report setting out the progress made in 2016/17 in delivering the objectives stemming from the Housing and Health Strategy Action Plan 2016 – 2021 and future ways of achieving the objectives going forward. The Housing Development and Strategy Manager provided a summary of the report, highlighting the achievements made.

Councillor J Wyllie expressed concern that only 200 new affordable housing units had been delivered through housing associations. He felt that Planning Officers could do more to secure more affordable units and should adopt a stricter approach at the planning stage. The Housing Development

and Strategy Manager assured Members that in comparison to other districts, 200 was an achievement given the requirement to provide up to 40% on any new development relative to the density. Councillor J Kaye sought and was provided with clarification on the definition of affordable housing in relation to the elderly and vulnerable (which also included the young) and the types of accommodation which could be offered to them.

Councillor A Alder raised the issue of “downsizing” and whether this related just to tenancies. The Head of Housing and Health explained that this was being promoted across all tenures but that there was little which could be done in the private sector, although work was ongoing with Hertfordshire County Council. He provided an update on the “Safe and Well” project.

Councillor A Alder sought information in relation to the number of houses in multiple occupation and the composition of Accommodation Boards. The Housing Development and Strategy Manager provided further information on the composition of the boards and the Head of Housing and Health undertook to write to Members with further information on houses in multiple occupation.

Councillor C Woodward referred to the number of empty homes and that bringing more into use would reduce the Council’s liability. The Head of Housing and Health explained that the figure currently stood at 350 and that the target for bringing in long term problematic properties was 15. He explained that work was ongoing to categorise different types of properties.

The Committee noted the progress made in 2016/17 in delivering the objectives stemming from the Housing and Health Strategy Action Plan 2016-2021 and asked that Members’ views regarding the adoption of a stricter approach with developers on the issue of affordable housing provision be referred to the Head of Planning and Building Control.

RESOLVED – that (A) the progress made in 2016/17 in

delivering the objectives stemming from the Housing and Health Strategy Action Plan 2016-2021, be noted; and

(B) Members' views regarding the adoption of a stricter approach with developers on the issue of affordable housing provision be referred to the Head of Planning and Building Control.

### 39 RISK MANAGEMENT MONITORING - QUARTER 4

The Executive Member for Finance and Support Services submitted a report on the action taken to mitigate and control strategic risks during the period January to March 2017. The Head of Strategic Finance and Property provided a summary of the report.

In response to a query from the Chairman, the Head of Strategic Finance and Property explained the definition of inherent and residual risk in relation to Strategic Risk 3 (risk that supplier contractor or key third sector partner fails or failed to deliver).

Councillor D Oldridge suggested that if the inherent and residual risk matrix was the same then any controls in place were ineffective. The Chief Executive explained that in some situations such as government funding, circumstances constantly changed and would affect the matrix and might take the Council back to the same position. In relation to the Development of Old River Lane, Bishop's Stortford (SR16), the Chief Executive explained that the matrix had been affected by the appointment of property consultants and project consultants and that there was now a huge framework in place in moving the project forward.

The Committee received the report, as now detailed.

RESOLVED – that the report be received.

40 SCRUTINY WORK PROGRAMME

The Head of Legal and Democratic Services submitted a report outlining the draft future programme for Performance, Audit and Governance Scrutiny Committee. The Scrutiny Officer explained that the work programme was a draft of future projects and that Officers were looking to add more issues for scrutiny to review. She explained that support for scrutiny would be split between two Scrutiny Officers. The Scrutiny Officer explained that a special meeting would be arranged to consider what issues might be added to the draft work programme.

Councillor J Kaye suggested that many of the items appear to be “cyclical” and queried whether scrutiny would have the time and capacity to consider anything else. The Head of Strategic Finance and Property explained that the Statement of Accounts could be considered at a separate meeting.

RESOLVED – that the work programme as now detailed, be agreed.

The meeting closed at 9.37 pm

Chairman .....
Date .....