

ADDENDUM TO REPORT 137/2020 STATEMENT OF ACCOUNTS

The Council is proposing to include an additional paragraph in the Annual Governance Statement as set out below.

Addition to Annual Governance Statement (Significant Governance Issues, page 118 of agenda pack)

The Council has been undertaking work in relation to the management and administration of Community Infrastructure Levy. It has identified a historic significant governance issue and is preparing a report for Cabinet for November to consider the matters arising as they fall within its remit. Whilst details are still being finalised, for the purpose of the AGS, we deem the issue to be a Significant Governance Issue and can report the following:

- The full-time CIL Officer left the Council in 2017, and until recently, the management and administration of CIL has been undertaken by temporary interim agency support with periods when the post was not covered.
- This situation is now resolved with a full-time permanent member of staff in post.
- The new CIL officer has undertaken an internal review of the CIL process initially in operation between 2016 and 2019. This uncovered issues related to software connectivity between the planning application case management system and the CIL monitoring system, as well as some procedural “gaps” which resulted in a number of potential unclaimed CIL liabilities during this period.
- Each historic case has been researched in detail and then considered by a team led by the Director of Places with specialist external legal support and the Council’s Monitoring Officer.
- The above review has concluded that certain CIL liabilities can no longer be collected from developers i.e. CIL income which was due to the Council is effectively lost. The value is estimated at £150k but this could reach a figure of £181k.
- An improvement plan is in place, which has been informed by Internal Audit, and this will be detailed in the Cabinet report with a suggestion that the Audit and Risk Committee receive a further report detailing action taken to implement the improvement plan.

Supplementary information for the Committee on impact/consequences (for clarity, the text below will not form part of the AGS)

We have discussed the issue with the external auditors, Grant Thornton LLP, to ascertain whether it impacts on the opinion they are minded to give on the Council’s value for money arrangements. While the auditors are concerned about the issue reported, it does not materially impact their value for money conclusion as set out in their audit report (Report 138/2020, Appendix 1). The auditors will be present at the meeting should Members of the Committee have questions in this regard.