

Corporate Governance and Audit Committee

Monday, 15th November, 2010

PRESENT: Councillor G Driver in the Chair
Councillors P Grahame, C Campbell,
G Kirkland, A Lowe, Tollefson, P Harrand,
W Hyde, J Lewis, T Hanley and T Leadley
(as substitute for J Elliot)

Co-optee G Tollefson

Apologies Councillors S Smith and J Elliott

53 Appeals Against Refusal of Inspection of Documents

There were no appeals against the refusal of inspection of documents.

However the Committee noted correspondence in relation to a request by Councillor Illingworth for an appeal against refusal of inspection of documents which request was found to have been invalid as the document requested did not form part of the background papers to the report on Item 10 of the agenda.

54 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

55 Late Items

There were no late items submitted to the agenda for consideration.

56 Declaration of Interests

Councillor Leadley declared a personal interest in Agenda item 10 (Minute 64 refers) as a Member with involvement in the case of Technoprint Plc and Snee V Leeds City Council.

57 Apologies for Absence

Apologies were received from Councillor S Smith and Councillor J Elliot.

58 Minutes of the Previous Meeting

The minutes of the Corporate Governance and Audit Committee meeting held on 29th September 2010 be approved as a correct record.

59 Government Spending Review

The Director of Resources presented his report which provided information on the implications of the Government's spending review which was announced on 20th October 2010.

Members discussed the report and commented on the importance of the Council having good systems and controls in place to competently undertake its responsibilities in light of the cuts announced in the Government's spending review. Members raised questions with regards to the meaning of the figures mentioned in the report and the consultation that will take place with regards to the budget proposals.

Members considered the provision for the building of new social housing under the New Homes Bonus Scheme, and the grant funding that will be received by the Council for each new home built. It was confirmed that this money could be used as the Council best sees fit.

Members also voiced concerns about the future provision for Police and Fire Services in Leeds in light of the Government spending review.

RESOLVED – The Committee resolved to:

- note the contents of the report and its appendices; and
- to continue to review and monitor as appropriate the changes that take place following the Government's Spending review.

At this point in the meeting the Chair informed the Committee that item 10 on the agenda, Judicial review - Lessons Learned, would be considered as the last item on the agenda in order for a detailed discussion to take place on the item.

(Councillor J. Lewis entered the meeting during the discussion of this item at 10.15am)

60 Duplicate Creditor Payments

The Head of Internal Audit presented a report of the Director of Resources which provided assurance on the robustness of internal controls in operation to prevent duplicate payments in accordance with the terms of reference of the Committee.

Members discussed the costs of recovering duplicate payments. Concerns were raised that although nearly all the money paid out in duplicate payments

to date had been recovered, duplicate payments had been processed and authorised in the first instance.

The Committee acknowledged the work undertaken by Internal Audit in recovering duplicate payments and asked that Members of the Committee be provided with details of the Directorates in which duplicate payments had been made and the amounts. The Head of Internal Audit confirmed that he would circulate this information.

RESOLVED - The Committee resolved to note the contents of the report.

61 Review of Governance Framework for Significant Partnerships

The Head of Governance Services presented a report of the Assistant Chief Executive (Corporate Governance) which presented the Committee with the outcome of the review of the Governance Framework for Significant Partnerships in light of the abolition of the Comprehensive Area Assessment and current resource constraints. The report also informed the Committee of the subsequent amendments which have been made to the framework and the monitoring process.

Members discussed the report and sought further assurances concerning the way in which partnerships will be monitored. Members were particularly supportive of the governance arrangements of partnerships on the Council's register of Partnerships being subject to on-going 'spot checks' by Directors and by Internal Audit.

RESOLVED – The Committee resolved to;

- note the outcome of the review of the Governance Framework for Significant Partnerships, and the amendments made;
- receive the list of 34 significant partnerships currently registered; and
- receive reports by exception where spot checks of partnerships highlight concerns with governance arrangements.

62 The Corporate Governance Statement Action Plan

The Corporate Governance Officer presented a report of the Assistant Chief Executive (Corporate Governance) which updated the Committee on the progress that has been made in implementing the Corporate Governance Statement Action Plan.

The Committee reviewed the Action Plan and agreed that efforts to complete the Improvement Activities detailed in the Action Plan should continue which in certain areas could help the Council achieve value for money.

RESOLVED - The Committee resolved to:

- note the progress made to date on the Corporate Governance Statement Action Plan; and
- receive a further update on progress in April 2011.

63 Work Programme

The Assistant Chief Executive (Corporate Governance) submitted a report notifying Members of the draft work programme for 2010/11.

The Committee resolved to note the draft work programme for the remainder of the 2010/11 municipal year.

64 Judicial Review Lessons Learned

The Assistant Chief Executive (Corporate Governance) presented her report informing the Committee of the outcome of the case Technoprint Plc and Snee V Leeds City Council, a judicial review of a planning decision. Officers reported on the decision of the Court and its implications for the Council's governance arrangements, and identified improvements which have or should be made, to current practices. As background information to this the Committee was given a chronological summary of the case by Councillor Leadley who had been involved in the case from the initial complaint against the Council.

Members discussed the report in detail commenting on the need for the Council to ensure that lessons are learned from the case, specifically in terms of decision making arrangements and the planning application process, with the aim to ensure the Council avoids litigation on technical matters in the future. Members expressed a desire for the Council to be as open and transparent as possible in its decision making and that decisions made should be open to challenge.

Members further discussed the process for informing Members of significant litigation relating to the authority. Members highlighted a need for a proportionate procedure to be introduced for relevant Members to be informed in advance, of any cases, which potentially could be damaging to the Council. As part of this discussion Members also commented on the financial cost of litigation to the Council.

RESOLVED - The Committee resolved to:

- note the outcome of the case Technoprint Plc and Snee V Leeds City Council, in relation to the governance issues arising;
- note that the Joint Plans Panel have considered the planning issues arising from the case, and that the Panel have initiated a review of the delegation to the Chief Planning Officer;
- note the steps proposed or already taken by the Assistant Chief Executive (Corporate Governance) to improve the governance arrangements relating to;

- the approval of the delegation scheme relating to Council functions;
 - the provision of documents to Committees outside the 5 clear day notice period; and
- request a report on proposals for arrangements for informing relevant Members of significant legal cases involving the authority.