

Corporate Governance and Audit Committee

Wednesday, 21st January, 2009

PRESENT: Councillor J Bale in the Chair
Councillors M Wilkinson, D Blackburn,
G Driver, J Elliott, P Grahame, G Latty,
N Taggart and C Campbell

Co-optee
Mr M Wilkinson

Apologies Councillors M Iqbal and G Kirkland

68 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

69 Exempt Information - Possible Exclusion of the Press and Public

Members agreed to accept the officers' recommendation that Appendices 7 and 8 to Appendix A of agenda item 8 be classed as exempt information, however Members agreed not to exclude the public for this item unless the exempt information needed to be specifically discussed or referred to.

70 Late Items

There were no late items added to the agenda.

71 Declaration of Interests

No declarations of interest were made at the meeting.

72 Apologies for Absence

Apologies for absence from the meeting were received on behalf of Councillor Iqbal and Councillor Kirkland.

73 Minutes of the Previous Meeting - 26th November 2008

RESOLVED – That the minutes of the Corporate Governance and Audit Committee meeting held on 26th November 2008 be approved as a correct record.

74 Matters Arising

Further to Minute 60, the Head of Internal Audit informed Members that further work was needed in relation to the audit of the Council's decision making processes. The Head of Internal Audit undertook to present the outcomes of the audit at the meeting of the Committee to be held on 30th April 2009.

Further to Minute 64, it was confirmed that a report regarding Fraudulent Tenancies would be submitted to the Committee's meeting on 18th March 2009, and that this would address whether the use of the term 'fraudulent' was appropriate.

75 Minutes of the Standards Committee

The Chair of the Standards Committee informed Members that the General Purposes Committee had recently considered options for the Standards Committee Membership, which would be considered by Full Council on 25th February 2009. He also reported that final proposals regarding the Review of the Local Assessment Procedures would be considered by the Standards Committee at its meeting on 17th February 2009, and that the Standards Committee had submitted a response on its own behalf to the consultation on the Code of Conduct for Members and officers.

RESOLVED - That the minutes of the Standards Committee meeting held on 16th December 2008 be noted.

76 KPMG Audit of Business Continuity Management at the Council

The Chair welcomed representatives from KPMG, who were in attendance to present this item which summarised the key findings from KPMG's recent audit of the Council's Business Continuity Management arrangements.

Members were informed that, as the audit was undertaken in Summer 2008, the results of the Annual Performance Assessment reports regarding Children's Services and Adult Social Services had not been available to help inform the Business Continuity Audit. KPMG assured the committee that the follow-up work planned for 2009-10 would take account of the concerns raised in the reports. KPMG also assured Members that the follow-up work would address the current economic climate and its potential implications on the Council's partner organisations.

RESOLVED –

- (a) That the progress made with respect to Business Continuity Management across the Council be noted; and
- (b) That KPMG alert the Committee to any concerns which may emerge from the follow up work planned for 2009-10.

(Councillor Grahame arrived at 10.20am during the consideration of this item.)

77 Information Security Update

The Project Manager (Information and Knowledge Management) presented a report of the Assistant Chief Executive (Planning, Policy and Improvement) providing Members with an immediate update on the actions taken to-date in light of the recent information security breaches.

Members particularly discussed the following points:

- Memory sticks should only be used where absolutely necessary, and alternative data storage methods should be considered before a memory stick is used;
- A suitable disciplinary procedure should be introduced to address any breaches of the Code of Practice for memory sticks, however the emphasis should be on preventing any such breaches;
- Elected Members should be provided with further guidance on the best way to handle large amounts of data;
- The cross-party IT reference group could consider the best way to assist Members;
- The number of laptops stolen or lost by the Council should be monitored; and
- The ALMOs and Education Leeds should be required to comply with the Code of Practice rather than just the principles contained within, as they use data which is owned by the Council. It was agreed that the report which would be submitted to the Committee's meeting on 11th February should address this issue.

RESOLVED –

- (a) That the contents of the report be noted; and
- (b) That a report detailing the findings and recommendations (and associated action plans) from the investigations undertaken into the two recent information security breaches be submitted to the Committee's next meeting to be held on 11th February 2009.

78 EASEL Decisions Update

The Head of the East Project Office, Regeneration Service presented a report introducing the decision making arrangements for the EASEL Joint Venture Company which were approved by Executive Board on 5th November 2008.

Members commented that:

- Due to the current economic climate ongoing monitoring was required in relation to the Joint Venture Company to ensure that the governance arrangements for EASEL remain fit for purpose; and
- Assurances were needed in relation to the existence of appropriate audit arrangements.

RESOLVED –

- (a) That the governance arrangements approved by Executive Board with regards to the governance arrangements for the EASEL Joint Venture Company be noted;

- (b) That the Head of Easel Project office ensures that, through ongoing review, the governance arrangements for EASEL continue to protect the Council over the course of the 20 year agreement; and
- (c) That KPMG gives assurance to the Corporate Governance and Audit Committee regarding whether the governance arrangements for the EASEL JVCo are operating well in practice.

79 Independence, Wellbeing and Choice Inspection of Adult Social Services 2008

The Director of Adult Social Services presented a report advising Members of the outcome of the Independence, Wellbeing and Choice Inspection of Leeds Adult Social Services that had recently been published by the Commission for Social Care Inspectorate (CSCI). The Director of Adult Social Services outlined the main implications for corporate governance arising out of the inspection and the action plan which has been developed to address its recommendations.

Members were informed that the Scrutiny Board (Adult Social Care) had asked a Proposals Working Group to monitor the progress of Adult Social Services in addressing the Action Plan.

Members particularly discussed the following points:

- The Committee needed to be assured that the correct arrangements are in place to ensure risks are identified and a framework of accountabilities exists for managing those risks; and
- The criticisms within the CSCI report relating to the operation of the Adult Safeguarding Board, the chairing of which Members felt should be performed by an independent person.

RESOLVED –

- (a) That the contents of the report, the Independence Wellbeing and Choice Inspection Report and the associated Action Plan be noted;
- (b) That further reports be submitted to the Committee regarding progress in addressing concerns expressed in the inspection report relating to the safeguarding arrangements and risk management; and
- (c) That the Committee be advised of any amendments to the 'No Secrets' guidance which have governance implications.

(Councillor Taggart arrived at 11.45am during the consideration of this item.)

80 Half Year Internal Audit Report 2008/09

The Head of Audit presented a report of the Director of Resources informing the Committee of the issues raised by Internal Audit in the half year annual report for 2008/09, none of which required direct action by the Committee.

Members were advised of the reasons why the 'Sale of Land' review had been given an opinion of limited assurance, and were assured that follow up work would be undertaken before the end of the current financial year.

RESOLVED – That the Half Year Internal Audit Report 2008/09 be noted.

81 Work Programme

The Assistant Chief Executive (Corporate Governance) submitted a report notifying Members of the draft work programme for 2008/09.

Due to the large number of reports due to be submitted to the Committee's meeting on 18th March 2009, it was agreed that an additional meeting would be arranged (to be held in May 2009).

RESOLVED –

- (a) That the draft work programme for the remainder of the municipal year be noted; and
- (b) That an additional meeting of the Committee be arranged (to be held in May 2009).