

## Corporate Governance and Audit Committee

Thursday, 30th April, 2009

**PRESENT:** Councillor J Bale in the Chair  
Councillors D Blackburn, G Driver, J Elliott,  
P Grahame, M Iqbal, G Latty, N Taggart  
and G Kirkland  
**Co-optee**  
Mr M Wilkinson  
Apologies Councillor C Campbell

### 110 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

### 111 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

### 112 Late Items

There were no late items added to the agenda.

### 113 Declaration of Interests

Councillors Driver and Grahame declared a personal interest in items 7, 9 and 10 of the agenda (Minutes 116, 118 and 119 refer) as a Board member and leaseholder of Aire Valley Homes ALMO respectively.

Councillor Taggart declared a personal interest at a later point in the meeting (Minute 116 refers).

### 114 Apologies for Absence

Apologies for absence from the meeting were received on behalf of Councillor Campbell.

### 115 Minutes of the Previous Meeting - 18th March 2009

**RESOLVED** – The minutes of the Corporate Governance and Audit Committee meeting held on 18<sup>th</sup> March 2009 were approved as a correct record, subject to the following amendments:

- Minute 100 – amend the last line to read ‘approved by the Standards Committee’;
- Minute 101 – include an additional bullet point at the second paragraph as follows: ‘Their concern that less than 50% of child protection conferences had been completed on time’; and
- Minute 102 – include an additional resolution as follows: ‘That a report be received at a future meeting regarding the governance arrangements of Confederations, including the involvement of Elected Members’.

(Councillor Taggart arrived at 2.10pm during the consideration of this item.)

## **116 Annual Audit and Inspection Letter 2007/08**

The Chief Officer (Audit and Risk) submitted a report introducing the Annual Audit and Inspection Letter for 2007/08. Stephen Gregg from the Audit Commission was in attendance to present the report and respond to Members’ questions.

Members highlighted the following areas of concern arising from the Annual Audit and Inspection Letter:

- West North West Homes Leeds – particularly telephone access, complaints handling, management of anti-social behaviour, poor customer profiling and no robust strategic approach to value for money;
- East North East Homes Leeds – the need to ensure that all equality and diversity legislation is complied with;
- Outcomes for Adult Social Care, and how the score of 2 out of 4 was arrived at (given that the authority received a 1\* rating from the recent Independence, Wellbeing and Choice Inspection);
- The outcomes relating to Children and Young People, particularly infant mortality, fostering and the timeliness of reviews of looked after children, and whether they were caused by problems with leadership and management or resources;
- The high proportion of young people not in employment, education or training; and
- Regional Governance – transparency of decisions, access to information, and how decisions are made.

Members also highlighted the areas in which the Council had performed well, particularly in the Use of Resources Assessment and the investment in Police Community Support Officers.

It was agreed that the concerns raised by the Committee should be referred to the relevant Scrutiny Board or ALMO as a matter of urgency, and that further discussions should be held in order to establish a process whereby the Committee can refer concerns to the relevant Scrutiny Board.

(At this point in the meeting, Councillor Taggart declared a personal interest as a Member of the ALMO – Inner West Area Panel.)

The Committee was also reminded that the Annual Governance Statement and Action Plan are used to highlight areas for improvement and ensure that the necessary action is undertaken.

**RESOLVED –**

- (a) That the Annual Audit and Inspection Letter attached at Appendix 1 be noted with the concerns as described above;
- (b) That the areas in which the Council has performed well be noted;
- (c) That the Children's Services and Adult Social Care Scrutiny Boards be asked, as a matter of urgency, to follow up the Committee's concerns;
- (d) That the Chair of the Committee write to the Chairs of East North East Homes Leeds and West North West Homes Leeds in order to express the Committee's concerns;
- (e) That further discussions be held in order to establish a process whereby the Committee can refer concerns to the relevant Scrutiny Board; and
- (f) That a report be submitted to a future meeting of the Committee regarding regional governance.

(Councillor Elliott arrived at 2.20pm during the consideration of this item.)

**117 Information Security - Annual Report**

The Assistant Chief Executive (Planning, Policy and Improvement) submitted a report providing the Committee with an annual report on the steps being taken to improve the Council's information security, in order to provide assurance for the Annual Governance Statement.

With regards to the requirement for a network of people across the organisation to lead on embedding best practice and ensuring a co-ordinated approach to information security, Members discussed whether this would need to be a full-time role in each area, and the need to utilise existing resources and training to fulfil this requirement where possible. The need for individual officers to have responsibility for upholding information security standards was also highlighted.

Members also raised concerns as the Council does not have targets in place in relation to ISO 27001, and when each section of this will be achieved.

**RESOLVED –**

- (a) That the contents of the annual report and the assurances provided as to the Council's approach to information security be noted; and
- (b) That an Information Security annual report be received in the next municipal year, including a target as to when the Council will achieve ISO 27001.

(Councillor Iqbal left the meeting during the consideration of this item.)

## 118 ALMO Inspection Reports

The Head of Housing Delivery and Governance presented a report of the Chief Housing Services Officer advising the Committee of the outcome of the inspections of, and proposals for the Council's future relationship with the ALMOs.

Members particularly discussed:

- Whether the Council or the ALMOs were responsible for ensuring that the necessary actions arising from the inspections reports are undertaken;
- Although a high level of funding has been invested in the ALMOs, the required outcomes have not yet been fully achieved;
- The current challenges need to be addressed prior to 2011, when the level of funding will decrease;
- Tenants' expectations need to be managed more effectively;
- Whether the resources used in the merging of the ALMOs has affected their performance; and
- The need for the Committee to be informed should officers become aware of any future concerns in relation to the ALMOs.

Members requested that a report be submitted early in the new municipal year to inform the Committee of the actions being taken as a result of the inspection reports, including by when and by whom. Members also requested a report regarding the governance arrangements of Belle Isle Tenant Management Organisation (BITMO), which had not been inspected by the Audit Commission.

### **RESOLVED –**

- (a) That the report be noted; and
- (b) That further reports regarding the governance arrangements of BITMO, and the actions being taken as a result of the inspections, including by when and by whom, be submitted early in the new municipal year.

## 119 Phantom Tenancies

The Housing Policy and Monitoring Manager presented a report of the Chief Housing Services Officer informing the Committee of the measures in place to reduce instances of phantom tenancies, and updating the Committee on the actions that have been taken since the last report regarding phantom tenancies was presented to the Committee in November 2008.

It was confirmed that all housing applications are checked to ensure that the applicant is legally eligible to be a tenant.

Members commented on the importance of continuing to monitor the occurrence of phantom tenancies in order to establish accurate figures, and the need for the ALMOs to look into potential phantom tenancies as soon as they become aware of their existence.

**RESOLVED –**

- (a) That the improvements in the control arrangements regarding phantom tenancies be noted; and
- (b) That an update report regarding the monitoring of phantom tenancies be submitted to the Committee in a year's time.

**120 Comprehensive Area Assessment Framework from April 2009**

The Senior Performance Manager presented a report of the Assistant Chief Executive (Planning, Policy and Improvement) updating the Committee on the introduction of the Comprehensive Area Assessment (CAA) Framework from April 2009.

In response to Members' queries, it was confirmed that the CAA would assess whether resources had been targeted effectively across the City, and that within the Use of Resources assessment, one of the key lines of enquiry will focus on decision making.

**RESOLVED –** That the report be noted.

(Councillor Blackburn left the meeting during the consideration of this item.)

**121 Corporate Risk Register**

The Principal Risk Management Officer presented a report of the Director of Resources providing Members with a summary of the Council's corporate risks and detailed explanations on the management of the most significant risks.

It was agreed that it was useful for the Committee to be informed of the corporate risks, however Members commented that it would be more useful to also be informed of the mitigation factors and how these are being managed, as well as the rating (i.e. green, amber or red) given to each risk.

The Committee also discussed the issue of whether the full Corporate Risk register should be made publicly available.

**RESOLVED –**

- (a) That the document attached at Appendix 1 to the report 'Corporate Risk Management at Leeds City Council' be noted and appreciation expressed for the accessible nature of the document;
- (b) That a report be submitted to the Committee regarding whether the full Corporate Risk Register should be made publicly available; and
- (c) If they haven't already done so, that members of the Corporate Governance and Audit Committee attend risk management training.

**122 Annual External Audit Plan**

The Principal Audit Manager presented a report of the Director of Resources providing Members with an opportunity to influence the development of the

external audit plan for 2009/10 and to suggest reviews for consideration. The report also commented on the circumstances in which the Waste Management report had been removed from the 2008/09 audit plan.

**RESOLVED –**

- (a) That a report regarding the Local Enterprise Growth Initiative be put forward for consideration for the Annual External Audit Plan 2009/10; and
- (b) That the explanation and the Director of Resources' assurance that Members' approval will be sought for any future changes to the agreed external audit plan be noted.

**123 Corporate Governance and Audit Committee Draft Annual Report 2008/09**

The Assistant Chief Executive (Corporate Governance) submitted a report presenting the first draft of the Corporate Governance and Audit Committee Annual Report for 2008/09.

Members were informed that areas of substantial concern would be addressed in the Annual Governance Statement, rather than within the Annual Report.

**RESOLVED –**

- (a) That the draft Annual Report attached at Appendix 1 be approved, subject to any comments or suggestions for amendment; and
- (b) That the Assistant Chief Executive (Corporate Governance) be authorised to make any amendments and to approve the final report prior to it being received at full Council in the new municipal year.

**124 Work Programme**

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

**RESOLVED** - That the draft work programme for the remainder of the municipal year be noted.