

Corporate Governance and Audit Committee

Tuesday, 12th May, 2009

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

Apologies Councillors J Elliott and G Kirkland and Mr
M Wilkinson

125 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

126 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

127 Late Items

In accordance with his powers under Section 100B(4)(b) of the Local Government Act 1972, the Chair admitted to the agenda the minutes of the previous meeting held on 30th April 2009, which were to be considered at agenda item 6 (Minute No. 130 refers).

Due to the limited timescales between the previous meeting and the publication of the agenda papers for this meeting, the minutes had been unavailable at the time of the agenda dispatch, and were required to be submitted to this meeting, in order to enable them to be considered and confirmed as a correct record.

128 Declaration of Interests

No declarations of interest were made at the meeting.

129 Apologies for Absence

Apologies for absence from the meeting were received on behalf of Councillors Elliot and Kirkland, and Mike Wilkinson.

130 Minutes of the Previous Meeting

RESOLVED - That the minutes of the Corporate Governance and Audit Committee meeting held on 30th April 2009 be approved as a correct record.

(Councillor Grahame arrived at 2.05pm during the consideration of this item.)

131 Minutes of the Standards Committee

Further to Minute 72, Members were informed of the reasons why the Standards Committee had resolved not to inform Members of the existence of a complaint against them until the Assessment Sub-Committee has met to consider it. It was also confirmed that this process would be reviewed in 6 month's time.

RESOLVED - That the minutes of the Standards Committee meeting held on 21st April 2009 be noted.

132 Improving the Council's ability to support residents' involvement in decision making

The Corporate Consultation Manager presented a report of the Assistant Chief Executive (Planning, Policy and Improvement) informing Members of the steps being taken to improve the Council's ability to support residents' involvement in decision making.

Members particularly discussed:

- Whether the Council has a statutory duty to consult;
- The need for consultation to be undertaken in a consistent manner across a variety of media;
- The opportunity for broadcasting Council meetings;
- The need to use modern communication methods in order to reach young people, such as text messaging and social networking sites;
- Their disappointment that emphasis hadn't been placed on adapting the consultation methods used in order to ensure that all communities could take part, and the importance of relating consultation to topics that communities are concerned about;
- The lessons that could be learned from South Tyneside Council, which has had success in consulting with hard to reach communities; and
- The role for consultation at a City Region level.

It was agreed that an annual report regarding community engagement should be submitted to the Committee in the next municipal year, addressing the issues discussed, particularly the opportunity for broadcasting Council meetings, and the work being undertaken by the Area Management teams to empower communities.

RESOLVED –

- (a) That the information presented in the report and the development of governance structures for consultation (and wider engagement) within the Council be noted; and
- (b) That an annual report regarding community engagement be submitted to the Committee in the next municipal year, addressing the issues noted above.

133 Governance Arrangements for the Waste Solution Programme

The Chief Environmental Services Officer submitted a report exploring the various officer and Member accountabilities within the Waste Solution Programme.

The Committee was assured that the Waste Solution Programme is on schedule, and that the Council achieved its key waste targets for 2008/09.

In relation to the Residual Waste Treatment project, it was confirmed that the key outcomes (rather than the technology to be used) had been specified to the bidders and had formed the basis of the evaluation of submissions received. The Committee sought assurances on the timescales for the procurement going forward and enquired about the potential implications should agreement not be reached regarding the outcome.

It was confirmed that a report recommending the preferred bidder as a result of the procurement process would be submitted to Executive Board for final decision. Such a report would clearly set out all the options available to the Executive Board at that stage.

RESOLVED – That the report and the assurances provided in terms of the governance arrangements for the Waste Solution Programme be noted.

134 Children's Services Inspections

The Deputy Director of Children's Services presented a report of the Director of Children's Services clarifying the recommendations from both the JAR and APA inspections, how actions arising from them are being progressed in a co-ordinated manner, and how the various children's services inspection processes will be rationalised in the future through revisions to the Ofsted inspection regime that will come into effect later in 2009.

Members particularly discussed:

- The need to ensure that statistics presented to Boards and Committees within the Council are consistent;
- Their concerns regarding the proportion of young people who are not in employment, education or training, the infant mortality rate, and the low achievement of children from some minority ethnic backgrounds;
- The importance of being able to adapt services to meet the needs of all ethnic groups within Leeds;

- The need for Children's Services to have a process for measuring its own performance, as the outcome of inspections by different bodies has not been consistent; and
- Their concern regarding the lack of elected Member representation on and involvement with the various Children's Services Boards and Partnerships, and the need for this structure to be reviewed.

It was agreed that a report should be submitted to the Committee outlining a consistent process by which Children's Services can measure its own performance, including a 'traffic light' system in order that the Committee can establish where concerns exist. The Committee was reminded that a report would also be submitted regarding the governance arrangements of Children's trusts, including the involvement of Members, in light of the new guidance from the Department for Children, Schools and Families.

Members also requested that the 'Service Delivery' and 'Service Transformation' strands of the Children and Young People's Social Care Transformation Programme to be reviewed in order to make them more explicit.

RESOLVED –

- (a) That the report be noted, particularly the steps being taken to ensure a co-ordinated approach to responding to the JAR and APA recommendations; and
- (b) That a further report be submitted outlining a consistent process by which Children's Services can measure its own performance, including a 'traffic light' system; and
- (c) That a further report be submitted regarding the governance arrangements of Children's trusts, including the involvement of Members, in light of the new guidance from the Department for Children, Schools and Families.

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

135 Annual Report on the Council's Risk Management Arrangements

The Principal Risk Management Officer presented a report of the Director of Resources providing Members with an overview of the Council's key risk management developments over 2008/09.

In discussing operational risks, the Committee was informed that the Risk Management Framework could be used at all levels within the authority, and that the responsibility for risk management is devolved to managers within each directorate. However, the Risk Management Unit is also available to provide advice where needed.

It was agreed that members of the Corporate Governance and Audit Committee should attend risk management training, and that it would be useful to train the Committee as a whole if possible.

RESOLVED –

- (a) That the report and the progress made in further embedding risk management across the authority be noted;
- (b) That the Committee will continue to review and challenge the Council's risk management arrangements, and attend risk management training sessions and briefings provided by the Risk Management Unit; and
- (c) That risk management training be provided to the Committee as a whole in the next municipal year.

136 LCC Programme and Project Management Arrangements

The Delivering Successful Change Project Manager presented a report of the Director of Resources providing an annual update on the continuing implementation and embedding of a consistent corporate approach to programme and project management by the DSC project, and an annual review of the Council's Portfolio, Programme and Project Management arrangements.

In response to Members' queries, it was confirmed that:

- The DSC methodology had been designed to be used for all projects, regardless of size or complexity; and
- Although the project manager may not have knowledge relevant to a particular project, a member of the project team should.

RESOLVED –

- (a) That the report be noted; and
- (b) That the project and programme approach that is in place across the Council be endorsed.

137 KPMG Review of Costs & Cost Drivers in the Youth Service

The Acting Chief Officer (Early Years and Youth Services) submitted a report summarising the key findings from KPMG's recent review of the costs and cost drivers within the Youth Service.

A representative from KPMG was in attendance to present the report and respond to Members' questions.

Members discussed the reasons why the Youth Services expenditure appeared to be high compared to the outcomes achieved, and the distinction between outputs and outcomes.

RESOLVED – That the findings of the review and the assurances provided be noted.

138 Governance of Partnerships Update

The Senior Corporate Governance Officer presented a report of the Assistant Chief Executive (Corporate Governance) updating Members on the progress

that has been made, and the next steps needed to ensure that the Council's significant partnerships have good governance arrangements in place.

The Committee discussed how the Framework and toolkit could be applied to partnerships that do not fall under the definition of 'significant'. It was confirmed that such partnerships would be encouraged to comply with the relevant sections of the Framework and toolkit.

RESOLVED –

- (a) That the register of significant partnerships be noted; and
- (b) That the process for monitoring compliance with the Framework and the training being delivered by Governance Services be noted.

(Councillor Campbell left the meeting prior to the consideration of this item.)

139 Governance Statement Action Plan

The Senior Corporate Governance Officer presented a report of the Assistant Chief Executive (Corporate Governance) updating Members on the progress that has been made in implementing the Corporate Governance Statement action plan.

RESOLVED – That the Corporate Governance Statement action plan be noted.

140 Audit of Decision Making Process

The Head of Internal Audit submitted a report advising the Committee on the control environment that is in place supporting Key and Major decisions taken by officers under delegated or sub-delegated authority, awareness of these requirements by relevant officers and compliance with existing procedures.

The Committee raised concerns, as a number of decisions tested had not been registered with Governance Services, did not appear on the Forward Plan, and had been implemented prior to the conclusion of the call-in period.

The Committee was also concerned that the sample tested was not large enough to establish the reasons for non-compliance. It was reported that two of the decisions tested had been specifically referred to Internal Audit for testing, however the remaining samples had been chosen at random.

The Committee was also assured that Internal Audit would continue to review the findings and recommendations, and that Governance Services could 'spot check' decisions throughout the year, as well as undertaking an annual review.

It was agreed that a report should be submitted to the Committee regarding the follow-up work that had been undertaken as a result of the Audit, and that the Chair should inform senior officers and members of Executive Board of the Committee's concerns. It was also agreed that further consideration

should be given as to whether the risks associated with unconstitutional decision making should be added to the Corporate Risk Register.

RESOLVED –

- (a) That the recommendations detailed in the Internal Audit report attached at Appendix 1 to the report be noted;
- (b) That a report be received regarding the follow-up work undertaken as a result of the Audit;
- (c) That the Chair raise the Committee's concerns with senior officers and members of Executive Board; and
- (d) That further consideration be given as to whether the risks associated with unconstitutional decision making should be added to the Corporate Risk Register.

141 Work Programme

The Assistant Chief Executive (Corporate Governance) submitted a report notifying Members of the draft work programme for 2009/10.

RESOLVED – That the draft work programme for the 2009/10 municipal year be noted.