

MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE	19 MARCH 2013
PRESENT	COUNCILLORS CUNNINGHAM-CROSS (CHAIR), BARNES, BROOKS (VICE-CHAIR), BURTON, CUTHBERTSON, STEWARD AND WATSON
IN ATTENDANCE	COUNCILLOR WARTERS

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

49. DECLARATIONS OF INTEREST

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda. None were declared.

50. MINUTES

RESOLVED: That the minutes of the meeting of 13 February 2013 be approved and signed by the Chair as a correct record.

51. PUBLIC PARTICIPATION/OTHER SPEAKERS

It was reported that there had been one registration to speak at the meeting under the Council's Public Participation Scheme, and that a Member of Council had also requested to speak.

Councillor Warters expressed concerns in respect of agenda item 8 – "Restricted Customer Contact Arrangements". He drew the Committee's attention to specific concerns regarding the proposed policy including the need to define "inappropriate", the circumstances in which he believed that it would be legitimate for a customer to send repeated emails to officers and the lack of Member involvement in the decision as to whether to restrict customer contact. He also expressed concern at paragraphs 12 and 13 which referred to contact with Elected Members. Councillor Warters stated that the proposed policy should be considered by Full Council.

Gwen Swinburn raised the following issues:

- Referring to agenda item 8 – “Restricted Customer Contact Arrangements”, she stated that there needed to be more consultation about the proposed policy and that an independent person should make the decision as to whether to restrict customer contact.
- Referring to agenda item 6 – “Verbal Update on Governance Issues”, she expressed concern that a written report had not been prepared in support of this item, as the lack of a report made it difficult for members of the public to comment.
- Ms Swinburn also expressed concern about an email that had been sent following the last committee meeting regarding her use of Twitter during the meeting. She stated that she had been very upset by the email and believed that she should have received an apology. She made Members aware that she would be using Twitter during the course of the meeting.

52. AUDIT AND GOVERNANCE COMMITTEE FORWARD PLAN TO DECEMBER 2013

Consideration was given to a paper which presented the future plan of reports expected to be presented to the Committee during the forthcoming year to December 2013.

Members were asked to identify any further items they wished to add to the Forward Plan.

RESOLVED: That the Committee’s Forward Plan for the period up to December 2013 be noted.

REASON: To ensure that the Committee receives regular reports in accordance with the functions of an effective audit committee and can seek assurances on any aspect of the Council’s internal control environment.

53. ANNUAL REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE

[See also Part B minute]

Members considered a report that sought their views on the draft annual report of the Audit and Governance Committee for the period ended 28 February 2013, prior to its submission to Full Council.

Members made the following comments on the draft annual report:

- It would be helpful to regroup the sections of the report to make the document more accessible.
- A summary paragraph should be included at the end of the report. This could include a reference to the work that the committee was carrying out to review its effectiveness and the progress that had been made to date.
- Some Members expressed concern that there was insufficient reference to issues in which the committee had not made the progress it would have wished, for example in appointing independent co-opted members and in developing its work in respect of risk assessment.
- Reference should be made to the committee's consideration of issues in respect of the revised arrangements for Cabinet Member Decision Sessions, as discussed at the meetings held on 13 February 2012 and 19 March 2012, subject to this falling within the time period covered by the report.

RESOLVED: That, subject to the inclusion of the comments outlined above, the report be approved for submission to Full Council. (The final wording of the report to be delegated to the Chair in consultation with the Director of Customer and Business Support).

REASON: To enable the committee to fulfil its role in providing assurance about the adequacy of the Council's internal control environment and arrangements for managing risk and for reporting on financial and other performance.

54. VERBAL UPDATE ON GOVERNANCE ISSUES

In response to issues raised at the last meeting, officers gave a verbal update on governance issues and the committee's role in these issues. Members were asked to consider ways in which the Committee could ensure that governance issues were given appropriate attention and were incorporated into the committee's workplan.

Officers drew attention to the Annual Governance Statement and the framework set by The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE) entitled "Delivering Good Governance in Local Government". Officers stated that all of the key elements of the framework were in place but referred to the issues that had been identified for development in the last statement. The statement should be used to inform some of the committee's work. Consideration could also be given to including governance as a standard agenda item.

Members commented on the need for the committee to be proactive in looking at governance issues across the Council. It was suggested that the issues raised in respect of the committee's role in governance could be given further consideration when the committee's terms of reference were reviewed at the next meeting.

Members noted that The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 would have implications on some aspects of decision-making. They agreed that it was important that the committee received regular updates on new legislation and suggested that this could be incorporated into the committee's training sessions.

Referring to issues that had been raised at the last meeting under the public participation item, Members considered whether the committee could do more to promote transparency in decision making and to engage the public in this process. They acknowledged, however, that the committee was only one aspect of the council's governance and that the way in which business was managed was ultimately decided by Members. It was noted that a Community Engagement Task Group was

currently in place and may be a vehicle to progressing some of the issues raised.

RESOLVED: That officers prepare a report around the issues outlined above for consideration by the committee.

REASON: To ensure that governance issues are given appropriate attention and are incorporated into the committee's terms of reference and workplan.

55. AUDIT AND GOVERNANCE COMMITTEE EFFECTIVENESS - ACTION PLAN

Members considered a report that provided details of the action plan which had been prepared following the review of the committee's own effectiveness.

Members also noted the Training Needs Assessment, as attached at Annex 2 of the report. Officers reported on the issues that would be included on the training day arranged for 18 June 2013.

Consideration was given to the arrangements for the appointment of an independent member. It was agreed that approval of the job description/person specification be delegated to the Chair and Vice-Chair. The Chair, Vice-Chair and one officer would also shortlist and interview prospective independent members and make a recommendation to the committee.

RESOLVED:

- (i) That the action plan (as attached at Annex 1 of the report) be approved.
- (ii) That a panel comprising the chair, vice-chair and one officer shortlist and interview prospective independent members and make a recommendation to the Committee.

REASONS:

- (i) To ensure that the Audit and Governance Committee remains effective.

- (ii) To progress the appointment of an independent member to the committee.

56. RESTRICTED CUSTOMER CONTACT ARRANGEMENTS

Members considered a report that sought their views on formalising arrangements for restricting certain customer contacts. The proposed arrangements specified when it might be appropriate to restrict customer contact and set out what steps might be taken. It was noted that it was not a Council function to approve such a policy and that the policy was being presented to the committee for consultation.

Officers stressed that the occasions on which the arrangements may be put in place were extremely rare and that staff were used to dealing with individuals who were undergoing considerable stress at the time they needed to make contact with the council and which may affect their behaviour. It was, however, important that the Council had mechanisms in place to deal with these isolated incidents of outrageous behaviour in order that it could meet its duty of care to its employees. Details were also given of the arrangements that were in place for dealing with criminal behaviour, for example incidents of grossly offensive or threatening behaviour.

It was intended that any decision to restrict customer contact would be recorded on a confidential register and reviewed on an annual basis. It was envisaged that the use of such a restriction would occur only very rarely. The policy applied only to email contact and customers would still be able to contact the Council in other ways.

Discussion took place regarding paragraphs 12 and 13 of the policy, which referred to contact with Elected Members. It was noted that a decision to restrict email contact would impact on the customer's ability to make direct contact with their Councillor. In such instances, discussions would need to take place with ward councillors regarding the arrangements that it would be appropriate to put in place.

Members made the following comments on the proposed policy:

- Some Members raised concerns about restricting contact arrangements with persistent complainers, as there may be occasions when the customer had a valid issue to raise.

- There needed to be clearer definitions within the policy, for example detailing what type of conduct constituted “unacceptable behaviour”.
- Differing views were put forward as to whether there should be Member involvement in a decision to implement restricted contact. Some Members believed that the decision should be made by senior officers, as this was an operational matter and should not be politicised. Other Members suggested that the decision should be taken by a group comprising Members of all parties.
- Further consideration should be given as to whether the review of the restricted contact arrangements should be more frequently than annually.
- The decision as to whether to implement the policy should be taken by Cabinet rather than by officers.

RESOLVED: That the committee recommends that the decision as to whether or not to implement the Restricted Customer Contact Arrangements be made by Cabinet, taking into account the issues detailed above.

REASON: To ensure that the Council has clear arrangements in place to deal with restricting customer contact.

57. CONSTITUTIONAL CHANGES RELATING TO PUBLIC HEALTH

[See also Part B minute]

Members considered a report that recommended certain constitutional changes arising from the Council assuming public health responsibilities from 1 April 2013. In particular the Council would be required to have a Health and Wellbeing Board in place and become responsible for the appointment of Director of Public Health.

RESOLVED: That the Chief Executive be requested to ensure that the Council’s appointments to the Board are confirmed at the next Council meeting.

REASON: To ensure that the Board has been validly appointed.

58. KEY CORPORATE RISK MONITOR 4

Members considered a paper that presented an update on the council's key corporate risks and which highlighted in more detail emerging risk issues with a view to Members considering any further information they would wish to receive on these matters.

Members noted that one of the key risks to materialise since the quarter 3 paper was in relation to the Waste PFI. Officers were asked why the possibility of the withdrawal of funding had not been identified as a risk in the quarter 3 report. Officers stated that this was not a risk that had been identified, as PFI credits had been awarded when those for other schemes had been removed. There had been no indication that the situation was being reviewed and that the credits might be at risk.

Members considered the risks in respect of Adults, Children and Education (ACE), as attached at Annex B to the report. The report included risks in relation to the pressures in the Adult Social Care area which were also reported separately in the Key Corporate Risk monitor at KCR 0018 each quarter. An officer from the Directorate was in attendance and gave details of the risks outlined in Annex B and how these were being mitigated. Discussion took place regarding the following issues:

- Information security
- The implications of the Government's new approach to childcare
- School places and the pressures in particular areas of the city
- Agreeing a Fair Price for Care and the financial risks arising from challenges from the independent sector to the level of fees paid by the Local Authority for home care and residential and nursing care

Members suggested that it would be helpful if future reports better linked the directorate risks to the key corporate risks and included scores where possible.

Consideration was given to the issues identified at the recent Zurich Municipal Risk Management Services workshop, as detailed in paragraphs 14 to 16 of the report, including the suggestion that Risk Management Training should be offered to all Members.

- RESOLVED:
- (i) That the issues set out in the report be noted.
 - (ii) That the reimplementation of an annual risk management training course for Members be approved.
 - (iii) That the timetable for the directorate risk reports for 2013/14, as set out in paragraph 15 of the report, be approved.

- REASONS:
- (i) To provide assurance that the authority is effectively identifying and managing its key risks.
 - (ii) To provide assurance that Members are being properly trained on the council's risk management process.
 - (iii) To provide assurance that directorates are properly identifying and managing their risks.

PART B - MATTERS REFERRED TO COUNCIL

59. ANNUAL REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE

[See also Part A minute]

RECOMMENDED: That Council endorse the Annual Report of the Audit and Governance Committee.

REASON: To enable the committee to fulfil its role in providing assurance about the adequacy of the Council's internal control environment and arrangements for managing risk and for reporting on financial and other performance.

60. CONSTITUTIONAL CHANGES RELATING TO PUBLIC HEALTH

[See also Part A minute]

Members considered a report that recommended certain constitutional changes arising from the Council assuming public

health responsibilities from 1 April 2013. In particular the Council would be required to have a Health and Wellbeing Board in place and become responsible for the appointment of Director of Public Health.

RECOMMENDED: That Council make the appropriate constitutional amendments to formally set up a Health and Wellbeing Board and endorse the terms of reference as attached.

REASON: To ensure that the Council has made an appropriate response to the transfer of public health powers.

Councillor Cunningham-Cross, Chair
[The meeting started at 5.00 pm and finished at 7.00 pm].