

Minutes



Listening Learning Leading

OF A MEETING OF THE

Audit and Corporate Governance Committee

HELD AT 6.00PM ON 10 JULY 2012

AT COUNCIL OFFICES, CROWMARSH GIFFORD

Present:

Mr P Cross (Vice Chairman in the chair)

Ms K Crabbe, Mrs M Davies, Mr M Gray, Mr P Harrison

Apologies:

Mr D Bretherton, Mr J Cotton and Mr M Welply tendered apologies.

Officers:

Mr S Bishop, Mr D Buckle, Mr S Corrigan, Mr A Down, Mrs K Fiander, Mr G Hawkins, Mr S Hewings, Mr W Jacobs, Mr S Khan, Mr N Parmar, Mrs A Partridge, Mrs M Reed, Mrs S Truman, Mr B Watson

Also present:

Mr N Harris, Councillor
Mr D Dodds, Cabinet member for finance
Mrs A Ockleston, Audit Manager, Audit Commission

Ms M Grindley, District Auditor, Audit Commission tendered apologies.

1. Minutes, 20 March 2012

RESOLVED: to approve the minutes of the meeting held on 20 March 2012 as a correct record and to agree that the Chairman sign them as such.

2. Business continuity testing exercise update

The committee considered the report of the Head of HR, IT and Customer Services that provided a summary of the findings of the business continuity exercise (held on 2 May by Oxfordshire County Council's Emergency Planning Unit) to give the committee an assurance that the council was taking the appropriate steps to enhance its existing arrangements.

Mr S Bishop, Strategic Director, advised that the exercise went very well and he responded to comments and questions saying that the next steps would be completed by 31 October but completion of the task was ultimately in the control of Oxfordshire County Council. The committee would receive a future report once this work was complete.

The committee noted the report.

3. Health and safety annual report 2011/12

The committee considered the report of the Head of Corporate Strategy that asked the committee to scrutinise the council's progress against its statutory health and safety responsibilities.

Mrs S Truman, Shared Policy, Partnership and Engagement Manager, advised that a number of additional training courses had been added to the health and safety training programme to reduce the number of staff still requiring training. More officers had been trained in first aid.

Mr D Buckle, Chief Executive, advised that the police had a standard time in which to respond to incidents such as any that occurred in interview rooms.

Mr A Down, Head of HR, IT and Customer Services, advised that street naming was within the report because it involved risks when officers were lone working and there were particular dangers inherent in the process.

The committee noted the annual health and safety report and endorsed the action plan for 2012/13.

4. Revised complaints procedure

The committee considered the report of the Chief Executive that sought the committee's agreement to proposed changes to the corporate complaints system.

RESOLVED: to

1. approve the revised corporate complaints procedure attached as appendix one to the report of the Chief Executive to the Audit and Corporate Governance Committee on 10 July 2012;
2. carry out a short review of the complaints procedure every year and a thorough evaluation every three years.

5. Procedures for dealing with code of conduct complaints

The committee considered the report of the Monitoring Officer that asked it to agree to appoint panels to determine code of conduct complaints referred by the Monitoring Officer, to adopt procedures for dealing with code of conduct complaints and to note the fact sheet that the council would publish on the council's website to help people understand the process for dealing with code of conduct complaints.

Mr S Gawrysiak, a representative of Henley Town Council, addressed the committee commenting on the new code of conduct and the draft complaints procedure and comparing it with the former procedure. He had particular concerns about the former procedure that did not set out to the councillor the allegations when a councillor was advised about a complaint and further concerns that assessment and review panels could decide that there was a case to answer but do this without proceeding to an investigation. He referred to the wording of recent decisions of assessment panels, which were considered beyond a panel's remit.

In response, Mrs M Reed, Monitoring Officer, advised that the former procedures were driven by regulations that allowed no flexibility to talk with councillors accused of breaches of the code of conduct. In addition assessment and review panels had limited decision-making options. Under the old system there was often misunderstanding that panels had decided that there was a breach of the code of conduct, which was never the case because a breach of the code could not be found without an investigation. Mrs Reed highlighted that the new system would give the council flexibility to engage with councillors when they were subject to a complaint. Officers aimed to develop a new procedure that recognised the shortcomings of the old process but as it was a new procedure it would continue to evolve.

Mrs Reed responded to comments and questions as follows:

- The council averaged about five complaints each year mostly relating to parish councils. The annual governance statement (also on the meeting agenda) contained a summary of the number of complaints over recent years.
- When dealing with complaints, the council would need to consider who would advise a councillor and how records of meetings were maintained.
- A councillor could engage a legal representative but the necessity of doing so would depend on the nature of the complaint and particularly whether the allegations were of criminal activity.
- Officers would take on board viewpoints on the way decisions were conveyed under the council's new process if the decision was not to proceed to investigation.

RESOLVED: to

1. appoint sub-committees (to be known as complaints panels) comprising three members of the committee or their appointed substitutes and authorise the complaints panels to determine code of conduct complaints referred by the Monitoring Officer;
2. appoint each member or substitute of the Audit and Corporate Governance Committee to serve on any complaints panel which was convened so as to include her or him in its membership;
3. agree that wherever possible, a panel should comprise the Chairman or Vice-Chairman of the committee plus two other members of the committee, but that this should not affect the

principle that any three members of the committee or their appointed substitutes would constitute a properly appointed panel;

4. authorise the Head of Legal and Democratic Services to convene panels having regard to members' availability and eligibility to take part;
5. adopt the procedures for dealing with code of conduct complaints set out in appendix 1 to the report of the Monitoring Officer to Audit and Corporate Governance Committee on 10 July 2012 with effect from 12 July 2012 and in place of the council's existing arrangements for dealing with code of conduct complaints;
6. authorise the Monitoring Officer to make minor amendments to the procedures including minor or consequential amendments required for clarification, consistency and compliance with the council's style guide;
7. note the document entitled *Code of conduct complaints: fact sheet* that would provide information for members of the public when making code of conduct complaints.

6. May 2011 district and parish council elections

The committee considered the report of the Chief Executive and Returning Officer that provided information on the cost of and accounting arrangements for the district and parish council elections in May 2011.

In response to comments and questions Mrs M Reed, Head of Legal and Democratic Services, advised that the estimated cost of £4,750 for grass-skirts was based on costs incurred in 2007 with the increased costs of £22,500 partially attributable to a last-minute order through an alternative print company when the contracted print company failed to supply them. The cost of the independent investigation into the running of the elections was reflected in the settlement with the print company.

The committee noted the report.

7. Internal audit activity report quarter 1, 2012/2013

The committee considered the report of the Audit Manager that summarised the outcomes of recent internal audit activity for the committee to consider. The committee was asked to review the report and the main issues arising, and seek assurance that action has been or will be taken where necessary.

HR PRO

In response to a question Mr A Down, Head of HR, IT and Customer Services, advised that discussions had been held with ABS (the HR Pro software provider) to establish whether HR Pro had the functionality to implement a recommendation to install an officer audit trail within the programme. ABS had informed him that this was not possible.

PROACTIVE ANTI FRAUD

Mrs A Partridge, Audit Manager, advised that at the time a payroll test was undertaken which identified control issues, the council was in the process of transferring payroll to Capita. Capita has now put in place procedures to address the control weakness identified.

The committee noted the report.

8. Draft annual governance statement

The committee considered the draft annual governance statement that explained how the council had complied with its local code of governance and met the requirements of regulation 4 of the Accounts and Audit Regulations 2011 in relation to an annual review of the effectiveness of the council's systems and the preparation and approval of an annual governance statement (AGS).

Mrs A Ockleston, Audit Manager, suggested that pages 9-21 and 9-22 were reviewed to establish that they were current. She also commented that this was the second year that the council was subject to IFRS.

The committee noted the annual governance statement and would review the final version in September.

9. Statement of accounts

The committee considered the statement of accounts 2011/12, authorised for audit by the Chief Finance Officer. Mr S Hewings, Shared Accountancy Manager (Revenue), provided revised figures for table 12a) concerning property, plant and equipment on page 10-42 of the accounts.

The committee noted the statement of accounts and agreed to hold a briefing before the final accounts were presented in September.

10. Audit Commission: verbal update on transition to Ernst & Young

Mrs A Ockleston, Audit Manager, provided an update on the transition of the Audit Commission to Ernst & Young emphasising that continuity of service was the main objective during the process and beyond. She would provide a fuller update at the September meeting.

The committee noted the update.

11. Internal audit annual report 2011/12

The committee considered the report of the Audit Manager that set out the work of internal audit to the year ended 31 March 2012, noting the best team performance over the last five years. The committee asked the Chief Executive to formally write to the team on its behalf to congratulate them on the work undertaken.

The committee noted the report.

12. Internal audit management report quarter 1, 2012/2013

The committee considered the report of the Audit Manager that provided an update on management issues, summarised the progress of the internal audit team against the 2012/2013 audit plan up to 20 June 2012 and summarised the priorities and planned audit work for the remainder of the year.

The committee noted the report.

13. Committee's work programme for 2012/13

The committee noted its work programme for 2012/13.

The meeting closed at 7.10pm.

Chairman

Date