

A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE

WAS HELD ON 27 JULY 2006

Membership:

Councillors Cully (P), Gill (P), Kimber, Langdon (P), Smith (P) and Wright (P)

Independent Members: Mr M J Heritage-Owen (P)
Mr R V Perry (P)

It was reported that, in accordance with Standing Orders, notice had been received that Councillor Burgess(P) would replace Councillor Kimber for this meeting of the Committee.

1. ELECTION OF CHAIRMAN

RESOLVED: That Mr M J Heritage-Owen be appointed as Chairman of the Committee for the Municipal Year 2006-2007.

2. ELECTION OF VICE-CHAIRMAN

RESOLVED: That Mr R V Perry be appointed as Vice-Chairman of the Committee for the Municipal Year 2006-2007.

3. APOLOGIES

Apologies for inability to attend the meeting were received on behalf of Councillor Kimber.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. MINUTES

RESOLVED: That, the Minutes of the meeting of the Conduct and Standards Committee held on 2 February 2006 be approved and signed by the Chairman as a true and correct record.

6. DEPUTATIONS

There were no deputations.

7. PUBLIC QUESTIONS

There were no public questions.

8. TERMS OF REFERENCE

At its meeting on 12 July 2006, the Council agreed that the Conduct and Standards Committee would be re-named Standards and Governance Committee, in order to reflect the inclusion of the Council's audit and risk functions and governance arrangements within their terms of reference.

The Committee considered their terms of reference, which now incorporated the existing terms of reference for the former Conduct and Standards Committee and CIPFA's guidance in relation to audit matters.

In answer to Members questions, the Borough Solicitor and Monitoring Officer explained that this Committee would have oversight of the Constitution and any significant changes would be reviewed and considered as part of the process, with recommendations being made to the Policy and Organisation Board and full Council.

With regard to promoting and monitoring high standards, the Committee were informed of the procedure for complaints and allegations which needed to be directed to the Standards Board and breaches in the Council's protocols by Councillors that could be investigated by this Committee was also clarified. There was also a facility for a judicial review in certain cases. Any complaint made against a Councillor could only be considered whilst he/she was in office or where the event had occurred during the time he/she was an elected member.

Complaints by members of the public about Council services were covered by the Council's internal 'staged' procedures and the Local Government Ombudsman and worked independently of this Committee. The Council's complaints procedure was currently being reviewed and would in future include monitoring and evaluation of complaints made.

The Borough Solicitor and Monitoring Officer was thanked for clarifying the above matters.

RESOLVED: That the revised terms of reference for the Committee, as appended to these Minutes, be received and noted.

9. INTERNAL AUDIT OPINION – YEAR END REPORT 2005/2006

Consideration was given to the report of the Head of Internal Audit and Risk Assurance which provided members with an opinion on the Council's overall control environment.

The Head of Internal Audit and Risk Assurance explained that, in accordance with best professional practice, Internal Audit section's work plan was based on an annual plan agreed before the start of the year and was risk-based.

The former Audit and Risk Sub Committee (of the Policy Overview and Scrutiny Committee) had noted at their meeting on 20 April 2006 that of 53 pieces of audit work that had been planned, 49 (92%) had been completed by the year end. The Audit Commission target of 90% completion of the audit plan had therefore been achieved.

An extract from the Internal Audit report register for 2005/2006 was included with the

report and the Head of Internal Audit and Risk Assurance clarified the risk factor grading. Each area of work would be reviewed within a five-year period although, if requested, a management review (MR) could be carried sooner.

In answer to a Member's question, it was confirmed that where appropriate the Committee would have an input into the annual plan of work.

In the opinion of the Head of Audit and Risk Assessment, the Council had good systems of internal control for the year 2005/2006 that were working satisfactorily. However, further work and awareness training for all managers and responsible staff was required in respect of risk management and the processes and procedures used for carrying out audit reports. This had been planned and would be progressed during 2006/2007.

RESOLVED: That the opinion of the Head of Internal Audit and Risk Assurance on the internal control environment of the Council in those areas audited in 2005/2006 be received and noted.

10. INTERNAL AUDIT – 3 MONTH POSITION STATEMENT

The Head of Internal Audit and Risk Assurance presented a report showing the performance of the Internal Audit Section during the first period of 2006/2007 (April – June 2006) against the annual audit plan to members with responsibility for governance.

Members were advised that, as part of the annual inspection by the Council's External Auditors, one of the indicators reviewed and measured was the percentage of actual coverage of the Annual Internal Audit Plan. The current target was 90%, which this year equated to 42 reports (i.e.90% of 46).

It was a priority of the Section that all fundamental reviews (high risk category – review aligned to the Council’s Annual Accounts) were completed by 31 March 2007. The Section’s target for 2006/2007 was 100% coverage of the annual plan by that date. It was intended to provide (electronically) executive summaries of fundamental reviews to all members of the Committee in future.

A position statement showing the status of work was tabled for information and the Committee were asked to note the performance of the Internal Audit Section at the three-month stage of the current financial year. The Head of Internal Audit and Risk Assurance informed the Committee that the first quarter was always a difficult period, as a small number of reviews needed finalising from the previous year.

The annual audit plan for the current year (2006/2007) would be sent to Members of the Committee shortly. The Head of Internal Audit and Risk Assurance indicated, as stated earlier, that executive summaries of the fundamental reviews would be provided for members of the Committee when available. The process for carrying out audit reports, which involved assessment of risks, efficiency reviews, documentation requirements and discussion with Managers about the reviews, was explained.

The Council’s External Auditors, Mazars, were due to report the ISA260 (together with draft letter of representation and matters arising from the audit) by September 18th. A possible date for the meeting was the 14th September and this would be confirmed as soon as possible.

The Borough Solicitor and Monitoring Officer suggested that a further report on the audit systems used could be presented at the Committee’s next meeting, in addition to a draft work plan being presented covering declarations of interest, whistle-blowing and other aspects of governance.

RESOLVED: That the performance of the Internal Audit Section for the first period of 2006/2007 (April to June 2006) be noted.

11. LOCAL GOVERNMENT OMBUDSMAN ANNUAL LETTER

Consideration was given to the Annual Letter 2005/06 received from the Local Government Ombudsman, which reported on complaints received against the Council and also highlighted how people experienced and perceived its services.

The Local Government Ombudsman had received only six complaints against the Council this year compared to eleven received in the previous year. There had been no planning complaints despite the rise nationally.

Comment on the Council's own complaints procedure indicated that it continued to function effectively. As reported previously in the meeting, the process and procedures were currently being reviewed.

The Committee considered that overall it was a very positive report from the Local Government Ombudsman and Members expressed their satisfaction with the content of the Annual Letter.

RESOLVED: That the Annual Letter 2005/06 from the Local Government Ombudsman be received and noted.

12. ANY OTHER ITEMS

There were no other items, which by reason of special circumstances, were for consideration as a matter of urgency at this meeting.

The meeting commenced at 6.00pm and concluded at 6.47pm

CHAIRMAN