
Corporate Governance Panel

Report of the meeting held on 12th December 2012

Matters for Information

24. CORPORATE BUSINESS CONTINUITY PLANNING – ANNUAL REPORT 2012

An audit review of the Council's Service Recovery Plan revealed that the Plan was no longer fit for purpose. Given this outcome, the Managing Director (Communities, Projects and Communities) assumed responsibility for Corporate Business Continuity and the Head of Information Management was tasked to lead a project to review and update the Plan and develop a mechanism which would ensure ongoing review, development and maintenance of the agreed new Plan.

The Panel now has had the opportunity to consider the progress made towards the preparation of a new Business Continuity Plan and the associated Business Continuity Management System. A new group of Business Continuity Coordinators and deputies has been established which will meet quarterly, undertake exercises and work to an action plan with agreed targets set to August 2013.

The Panel has been assured that the arrangements now put in place will be sufficiently robust to enable the Council to respond to 'notable' incidents and that there is sufficient momentum in the process to ensure that the Plan will continue to evolve and improve over time. The Panel will continue to monitor the Business Continuity arrangements and will receive a report on progress in 12 months time.

25. REVIEW OF EMPLOYEES CONSULTATION AND INFORMATION ARRANGEMENTS

It is the role of the Panel to consider proposals to vary the Council's Constitution and make any subsequent recommendations to the Council. Having been endorsed already by the Employment Panel (Item No 18 of their Report refers), the Panel has received proposals intended to streamline the process for the consideration of employment matters currently dealt with by the Employee Liaison Advisory Group and Employment Panel. It was emphasised that the new arrangements would retain a mechanism for effective consultation between management and employees but would replace the rigid meeting structure which currently exists to consider these matters.

Whilst supporting these proposals in principle, the Panel has expressed some concern at the extent of the authority to be delegated to the Head of Paid Service for employment issues and concluded that, to avoid confusion with the current overview and scrutiny arrangements, there was no sound reason for changing the name of the existing Employment Panel.

Given their unease with the proposed delegation, the Panel decided to defer the proposals until the next meeting to enable the terms of reference of the new Panel to be clarified and the precise parameters of the authority to be delegated to the Head of Paid Service to be better defined.

Notwithstanding the resolution of these concerns at their next meeting, the Panel raised no objection to the remainder of the proposals which related to the Employee Liaison Advisory Group and Senior Officer's Panel but given the suggested implementation date of 15th May 2012, was of the view that there was sufficient time for the arrangements to be refined and considered again, as a whole, at the next meeting in March.

26. FRAUD INVESTIGATION

With the assistance of the Working Group which had been established to enable Members to gain a better understanding of the fraud risks faced by the Council, the Panel has received a report on the activities of the Fraud Team, the potential for fraud across the Council's service and the planned response to risk particularly following the introduction of a Single Fraud Investigation Service (SFIS) which will become operational before 2015.

Given the potential income which might result from identified fraud and having congratulated the team for its work in uncovering fraudulent activity, the Panel has agreed to seize the opportunity to develop new work streams and investigate non welfare fraud areas by transferring a proportion of the welfare fraud workload to the Department of Work & Pensions from 2013. This transfer will enable the team to take advantage of current government funding arrangements to develop a new fraud service and to consider how this might operate after April 2015.

Given the importance of this work, Members were of the view that the Fraud Working Group should continue to meet and report regularly to the Panel.

27. REVIEW OF HOUSING BENEFIT FRAUD INVESTIGATION ACTIVITY & THE COUNCIL'S WHISTLEBLOWING

The Panel has noted a summary of the work undertaken by the Benefits Fraud Investigation Team during 2011/12 and at the same time conducted the annual review of the Whistleblowing Policy and Guidance. Whilst concluding that no changes were required to either the policy or guidance for Whistleblowing, the Panel considered that it

was essential to continue to publicise, cost effectively, the opportunity that existed to report, without fear, any potential fraud or act which might endanger health and safety or mistreatment or abuse of customers.

The Panel also considered that the work of the Fraud Team would be of interest to all Members and requested that arrangements be made for a seminar on this subject.

28. FINAL AUDITORS REPORTS ON THE 2011/12 ACCOUNTS AND ANNUAL AUDIT LETTERS 2010/11 AND 2011/12

The Panel was pleased to approve the final report of the Auditor in respect of the 2011/12 statement of accounts and has noted the content of an Action Plan drawn up for dealing with the recommendations which emerged from the Auditors Report. The Panel has been assured that the majority of the actions required are routine and can be delivered with the prescribed timescales. Two particular items have been drawn to the attention of the Panel. These related to the valuation of inventories and provision of bad debt. Whilst these items are of greater significance, the Panel was advised that they should not hinder closure of the 2012/13 accounts, progress upon which will be reported to the next meeting.

At the same time, the Panel has formally received the Annual Audit letters from the Council's external auditors PricewaterhouseCooper for the 2010/11 and 2011/12 audits.

29. ANNUAL REVIEW OF THE RISK MANAGEMENT STRATEGY

The annual review of the Risk Management Strategy has concluded that the authority has robust risk management policies in place which are performing efficiently and support the Council's annual governance and statutory reporting processes. Notwithstanding, the Panel was made aware that the Strategy has been amended to reflect the responsibility of Members and employees for the health and safety of themselves and others. The Panel also has expressed its satisfaction with the conclusion that there should be no change to the Council's risk appetite either in general terms or specifically for health and safety. The risk appetite is the amount and type of risk that the Council; is prepared to seek, accept or tolerate.

30. PROVIDING ASSURANCE FOR THE ANNUAL GOVERNANCE STATEMENT

The Panel has indicated its support for the introduction of an assurance mapping process which will act as a framework against which the Panel will check whether internal controls are operating effectively and objectives are being achieved. It is the intention that the assurance map will plan for and receive assurance on key areas over the year. In parallel to this initiative, the Panel has endorsed the intention to simplify the Annual Governance Statement to make it a more meaningful document for both Members and the public.

This process will commence with a Panel Workshop during which Members will identify those issues, which in their view, require assurance. Examples of these under a previous exercise were the delivery of the Council's corporate objectives and Partnerships for instance.

31. INTERNAL AUDIT SERVICE – INTERNAL AUDIT PLANNING

The internal audit computer plan for the period to March 2014 and recent amendments to the general audit plan have been noted by the Panel prior to their approval by the Managing Director (Resources).

The general plan had been amended to take account of additional work relating to the 2010/11 final accounts process, the redevelopment of One Leisure, St Ives and investigations involving members of staff.

32. TRAINING OF THE PANEL

In reviewing the programme of activities scheduled for meetings to December 2013, the Panel has expressed concern that it has insufficient time to give detailed attention to the workload envisaged and to the standard that it would wish. The Panel suggested that provision be made in the 2013/14 calendar for two additional meetings of the Panel to manage the workload but in the event that business is not forthcoming as is currently foreseen then the meetings could be cancelled by the Head of Legal & Democratic Services after consultation with the Chairman.

E R Butler
Chairman