
Corporate Governance Panel

Report of the meeting held on 14th May 2014

Matter for Decision

45. REVIEW OF COUNCIL CONSTITUTION

By way of reports by the Head of Legal and Democratic Services (copies of which are reproduced as an Appendix), the Panel has considered

- ◆ the recommendations of a Working Group, established by the Panel, on proposed changes to the operation of the Council meeting including the headline debate, green paper feature, ten minute address by Councillors, frequency of meetings, Annual State of the District Address, oral questions, Council Programme Meeting and Reports of the Cabinet, Panels and Committees;
- ◆ the outcome of a review of the procurement thresholds referred to in the Code of Procurement; and
- ◆ the conclusions reached by the Chairmen and Vice Chairmen of the Overview & Scrutiny Panels on the future operation of overview and scrutiny.

In discussing a suggestion that provision be made for Members to address the Council for up to 10 minutes on a subject of their choice, the Panel felt that it was not necessary to introduce such an arrangement as there was already sufficient mechanisms in place to address the Council.

The Panel also discussed a proposed initiative which would give increased opportunities to hold the Cabinet to account. In supporting the proposal, Members felt that 10 minute presentations for up to two Executive Councillors per Council meeting should be introduced followed by a 20 minute period for questions to all Members of the Cabinet.

With regard to the future of Overview and Scrutiny Panels, Members raised concerns over the lack of any information as to the remit of the proposed four panels and concluded that the matter should be reconsidered once the scope of the proposed panels was known.

In terms of the future role and Chairmanship of the Council Programme Meeting, the Panel concurred with the Working Group that this meeting should continue to be chaired by the Chairman of

the Council and that the meeting itself should consider its future role and terms of reference.

Attention was drawn to proposed new arrangements for presenting the reports of Committees and Panels to the Council. Members felt that reports of all Committees and Panels should continue to be presented to Council but that changes be made to the presentation of these to encourage more efficient use of Council time.

In order for the changes to be implemented with effect from commencement of the new Council year, the Panel

RECOMMEND

- (a) that the opportunity for single issue debates at Council meetings be continued but only where a specific need arose and that the length of such debates be strictly restricted for up to 60 minutes duration only;**
- (b) that topics for debate continue to be identified by the Council Programme Group;**
- (c) that it no longer be necessary to reserve one Council meeting per annum at which the Opposition Groups and Independent Members would be entitled to select the topic for debate;**
- (d) that Green Paper items be retained on the Council Agenda as required and 10 minutes set aside for this purpose;**
- (e) that the November Council meeting be deleted from the meetings calendar;**
- (f) that Council Procedure Rule 20.2 be suspended to allow the word "Autumn" in paragraph 12.1 of the Council Procedure Rules to be deleted and replaced by the word "Summer" with immediate effect;**
- (g) that Council Procedure Rule 20.2 be suspended and the following changes with regard to Oral Questions by Councillors introduced with immediate effect:-**
 - (i) ten minute presentations by up to two Executive Councillors per Council meeting with the opportunity for questions to follow;**
 - (ii) 20 minute period for questions to Members of the Cabinet generally;**
 - (iii) where the subject matter demands a comprehensive detailed answer, the submission of the question by noon at least 8 clear days in advance of the meeting; and**

- (iv) the discontinuation of the separate 30 minute period for oral questions;
- (h) that the Council Programme Meeting continue to be chaired by the Chairman of the Council;
- (i) that arrangements for a new seating layout at Council meetings be supported;
- (j) that where Reports of the Cabinet, Panels and Committee contain recommendations these be presented to Council by their respective Chairmen from their place in the body of the meeting;
- (k) that other Reports to Council be presented, purely for information, by the Chairman of the Council, who shall invite questions to the relevant Chairmen in a general sense and these reports be enclosed as an information pack to the rear of the Council book; and
- (l) that in paragraph 5.6 of the Code of Procurement the table relating to the value of procurement requirements be amended as follows:

Up to £5,000	At least 1 written estimate or offer (e-marketplace, email, web or paper) shall be sought and recorded.
£5,000 up to £15,000	At least 3 written estimates or offer (e-marketplace, email or headed paperwork) shall be sought and recorded.
£15,000 to £50,000	At least 3 formal quotations or offers shall be invited, unless the Manager has complied in full with paragraph 6.1e of this Code. The Manager will consider whether the nature of the procurement is such that a full competitive tendering would be likely to be beneficial to the Council by reducing cost (by more than the cost of tendering) or risk.

Matters for Information

46. REVIEW OF FRAUD INVESTIGATION ACTIVITY

The Panel has reviewed the activities of the Corporate Fraud Team during 2013/14, including the type and number of investigations

undertaken, the value of fraud identified and the cost of undertaking the work.

Members were reminded that the Department for Work and Pensions' (DWP) intends to launch a Single Fraud Investigation Service (SFIS). The Service will take over all welfare fraud investigations and the DWP has confirmed that it will become operational in March 2015.

47. REVIEW OF THE INTERNAL AUDIT SERVICE

The Panel was provided with an opportunity to comment upon the outcome of a review of the effectiveness of the Internal Audit Service, undertaken by Mr Richard Gaughran, Internal Audit Manager with the Welland Internal Audit Consortium, against the "proper practice" provision in the Public Sector Internal Audit Standards.

The review had concluded that internal audit was effective in delivering credible assurance to stakeholders, improved management of risks, improved corporate governance arrangements and support the achievement of corporate objectives.

In discussing the opportunities identified by Mr Gaughran to further enhance the effectiveness of the service, the Panel has discussed a suggestion they should hold to account Officers who fail to implement agreed audit recommendations. Members expressed their disappointment that this remains an issue for the authority. Owing to their concerns, the Panel has agreed that where audit actions have not been implemented on time, the relevant Assistant Director should attend a meeting of the Panel to explain the reasons for their non-introduction. Given previous assurances that a culture of compliance was being promoted throughout the authority and that any failures were reported to the Chief Officers' Management Team, Members have invited the Managing Director to the next meeting of the Panel to respond to their concerns.

48. INTERNAL AUDIT SERVICE: ANNUAL REPORT

Under the requirements of the Public Sector Internal Audit Standards, the Panel was provided with the Internal Audit Manager's opinion on the overall adequacy and effectiveness of the Council's internal control and governance processes.

Disappointment was expressed that nine "limited" and one "little" assurance audit reports have been issued. It was confirmed to Members that Chief Officers' Management Team had started to review audit reports and intend to address the low level of audit actions being introduced on time, by calling to account service managers who are not achieving the targets set. In seeking assurance that progress is being made in this area, the Panel has suggested that their concerns be addressed by the Managing Director at their next meeting.

49. PROGRESS ON ISSUES ARISING FROM THE 2012/13 ANNUAL GOVERNANCE STATEMENT

Progress made to date in respect of six areas for improvement identified in the 2012/13 Annual Governance Statement was noted by the Panel.

50. GRANT CERTIFICATION 2013/14

The Panel has received and noted a report from the External Auditor detailing the certification of specific grants received by the Council in 2012/13. Whilst there were no significant issues arising from the report, the Panel has expressed strong concerns over the rules issued by the Department of Works and Pensions for the auditing of benefit claims and the resultant cost to the authority of the auditors undertaking further sampling. Having been reminded that previous correspondence to the DWP has failed to persuade them to adjust the rules, the Panel has reiterated that the auditing rules for sampling are too rigid. The Accountancy Manager has been requested to write to the Local Government Association over this cost to the authority and suggesting that the criteria for taking a second sample be adjusted to only require further sampling if the errors in the previous round of sampling are significant.

51. EMPLOYEE HANDBOOK

Further to Item No. 41 of their Report to the meeting of the Council held on 30th April 2014 and following discussions at that meeting, the Panel has given further consideration to the contents of the Employee Handbook.

Having considered a number of changes to the text and in noting that the document will be considered by the Employment Panel on 25th June, Members have authorised the Chairman and Vice Chairman of the Panel to review the final version of the handbook with a view to resubmitting it to Council for adoption on 30th July.

52. MONITORING THE EFFECTIVENESS OF THE CONTROL ENVIRONMENT: VALUE FOR MONEY

The Panel has requested the Council's designated Chief Financial Officer to provide them with an annual report summarising the arrangements in place to support the achievement of Value for Money (VfM) for the Council. Although, the Panel has routinely received information from both the internal and external auditors on VfM the Council does not have a specific framework/strategy that outlines how this will be achieved. This new arrangement will introduce a process whereby the Panel can be assured that work has been undertaken to show that the Council is achieving VfM.

53. WORK PROGRAMME AND TRAINING

The Panel has noted details of their anticipated work programme in 2014/15. A formal training day is to be arranged for all Members involved in the Audit Process across Cambridgeshire.

E R Butler
Chairman