

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Corporate Governance Committee held on
Friday, 29 June 2012 at 9.00 a.m.

PRESENT:	Councillor Francis Burkitt – Chairman Councillor David McCraith – Vice-Chairman	
Councillors:	Richard Barrett Ted Ridgway Watt	Douglas de Lacey John Williams
Officers:	Patrick Adams Adrian Burns Alex Colyer John Garnham Fiona McMillan Sally Smart	Senior Democratic Services Officer Head of Accountancy Executive Director, Corporate Services Principal Accountant (General Fund and Projects) Legal & Democratic Services Manager and Monitoring Officer Principal Accountant Financial & Systems
External:	Paul King Suzanne Lane Daniel Harris	Audit Commission RSM Tenon RSM Tenon

Councillors Simon Edwards and James Hockney were in attendance, by invitation.

43. DECLARATIONS OF INTEREST

None.

44. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 23 March 2012 were agreed as a correct record.

45. INTERNAL AUDIT ANNUAL REPORT 2011/12

The Chairman introduced Internal Audit's Annual Report for 2011/12 by stating that out of the 132 recommendations made by Internal Audit, 128 had been agreed. Daniel Harris, RSM Tenon, highlighted paragraph 2.2 in the report which stated that the Council had "adequate and effective risk management, control and governance processes to manage the achievement of the organisation's objectives."

The Committee **NOTED** the report.

46. INTERNAL AUDIT PROGRESS REPORT

The Chairman introduced the Internal Audit Progress Report, which summarised the work being carried out as laid out in the Internal Audit plans. The Executive Director confirmed that all the recommendations made by Internal Audit detailed in the report had been agreed.

The Committee **NOTED** the report.

47. STATEMENT OF ACCOUNTS 2011/12 (SUBJECT TO AUDIT)

The Executive Director presented this report which invited the Committee to endorse the

Statement of Accounts 2011/12. He explained that due to a change in the law the Committee was not required to agree the Statement of Accounts until September and as this would be too late to amend the report, it had been decided to take the Accounts to the Committee before they were signed off by External Audit. The Executive Director congratulated the accountancy team in succeeding in getting the Statement of Accounts agreed a week before the deadline, which allowed it to be published with the agenda.

Amendments

The Head of Accountancy circulated a document at the Committee which sought to improve the classification and presentation of some of the figures. It was noted that the totals remained the same.

The Finance and Staffing Portfolio Holder suggested that

- A graph be included on page 53 of the accounts to indicate how a swing in variables could alter the Local Government Pension Scheme.
- That the words Arbury Camp be replaced by Orchard Park on page 65 of the report.

Underspends

The Head of Accountancy explained that some other local authorities vired underspends to specific reserves and so he warned against comparing the underspends of Councils. It was understood that the political leadership of the Council considered the underspend to be acceptable as it had not led to a decline in performance.

Housing Revenue Account

The Head of Accountancy explained that the Council had taken on £205,123,000 worth of debt in order to be self-financing. Guidance from the Government on the way to account for this had not been timely, but the Head of Accountancy assured the Committee that the way in which this debt was accounted for complied with the Government's guidelines. External Audit confirmed that they had no concerns about the way in which this debt was laid out in the accounts.

The Committee **ENDORSED** the report.

48. STRATEGIC RISK REGISTER / RISK MANAGEMENT STRATEGY

The Chairman presented this report by explaining that the Committee was responsible for the Council's Risk Management Strategy and was being asked to review and agree it. However, the Corporate and Customer Services Portfolio Holder was responsible for reviewing the Strategic Risk Register and approving it.

Risk Management Strategy

The Committee thanked officers for the amendments made to the Strategy since it had been discussed at Council.

The Committee unanimously

APPROVED the revised Risk Management Strategy, as set out at Appendix C to the report.

Strategic Risk Register

The Corporate and Customer Services Portfolio Holder reviewed the Risk Register at the meeting. He accepted the recommendations of Executive Management Team that HRA self-financing and the Job Evaluation Scheme be removed from the Register. Officers were congratulated in bringing the Job Evaluation Project to a conclusion based on a joint

agreement with the unions.

The hope was expressed that this authority could liaise with the City Council to ensure that any future consultation on the Local Plan be done concurrently, particularly with regard to the green belt and it was suggested that the view of the relevant Joint Committee should be reported to the Planning Policy and Localism Portfolio Holder. The risk score for "Lack of Development Progress" was not contested.

The Corporate and Customer Services Portfolio Holder agreed the Strategic Risk Register.

49. ANNUAL GOVERNANCE STATEMENT

The Legal and Democratic Services Manager presented this report, which invited the Committee to approve the draft Annual Governance Statement 2011/12 prior to the statement being signed by the Leader and Chief Executive and being included in the statement of accounts for the year ending 31 March 2012.

Minor amendments

It was noted that the penultimate paragraph on page 196 of the agenda would have to be amended, as the Customer and Corporate Services Portfolio Holder was responsible for the Strategic Risk Register. It was also noted that the Procurement Officer's role with legal services in being consulted about major procurement projects would be added to the final bullet point box on page 197 of the agenda listing the key outcomes identified during 2011/12.

It was agreed that the fourth bullet point on page 194 of the report, which detailed the internal disputes resolution procedure, be expanded.

The Committee

APPROVED the draft Annual Governance Statement, with minor updates explained at the meeting.

The Committee **NOTED** that the final version of the Statement will be updated following the receipt of the External Auditors Opinion.

50. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA): QUARTERLY UPDATE

The Legal and Democratic Services Manager presented this update on the Council's use of the Regulation of Investigatory Powers Act (RIPA) for the first and second quarters of 2012. It was noted there were two current investigations. In one the Council was assisting the Department of Work and Pensions in a benefit fraud case and in the other the Council was investigating whether there had been fraud or theft with regard to clothing recycling.

The Committee

NOTED the information contained in the report about the Council's use of surveillance powers in the period January to June 2012.

51. BRIBERY POLICY

The Legal and Democratic Services Manager presented this report, which invited the Committee to approve the Anti-Bribery Policy. It was agreed that reference should be

made to the high level of consideration that officers currently gave to any situation regarding gifts. It was agreed that the layout of the Policy needed to be altered, with the use of an alternative font and the heading for section 2 given a separate line.

The Committee **APPROVED** the proposed Anti-Bribery Policy.

52. LOCAL GOVERNMENT OMBUDSMAN ANNUAL REVIEW 2011/12

The Executive Director presented the summary of complaints made to the Local Government Ombudsman last year. He explained that the statistics were from the Local Government Office and a full explanatory report was expected later in the year.

The Committee

NOTED the annual summary of statistics on the complaints made to the Local Government Ombudsman about the Council for the year ending 31 March 2012.

53. MATTERS OF TOPICAL INTEREST

The Committee noted that its invitation to Karl Havers, Contact Partner for Ernst and Young, to attend this meeting had been declined due to an explicit instruction from the Audit Commission not to engage with prospective audit clients at this stage of the appointment process. It was hoped that he would be able to attend September's meeting.

54. DATE OF NEXT MEETING

The Committee **NOTED** that it would be meeting on the following dates, all at 9am:

- Friday 28 September 2012
- Friday 14 December 2012
- Friday 22 March 2013

The Meeting ended at 10.00 a.m.
