

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
THURSDAY 4 DECEMBER, 2008 AT 3.00 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK
PART 1

PRESENT: Councillors

Williams, Mrs. P. (Chairman)
Burnett, G. (Vice-Chairman)

Alcott, G. Davis, Mrs. M.A.
Ball, G.D.

(An apology for absence was received from Councillor J. Burnett).

18. Minutes

Arising from consideration of the Minutes, Members again expressed their disappointment at having received the External Audit report from KPMG at short notice, and an additional Council meeting having been convened to receive the document. Members asked if the Council could take any action in respect of this. The Director of Governance stated that the Council were currently awaiting the use of resources score and would then take some form of action in respect of the Council receiving the report late. He agreed to update the Committee at the next meeting.

RESOLVED:

That the Minutes of the meeting held on 19 September, 2008 be approved as a correct record.

19. Internal Audit – Quarter 2 Report for 2008-09

Consideration was given to the Report of the Chief Internal Auditor (Enclosure 4.1 – 4.2 of the Official Minutes of the Council).

The Head of Governance and VFM reported that there were 13 planned audits, 5 were complete and 8 in progress which had improved on last year. She stated that the performance for the year to date was below target due to study leave and sickness absence of staff within the section.

She indicated that the Streetscene audit was now complete and being finalised and that a overall limited level of assurance had been given until progress and re-tendering of the

contract had been made, which had been agreed by Cabinet on 16 October, 2008.

Members expressed their concern about the operation of the current Streetscene contract which had encountered a number of problems.

The Head of Governance and VFM reported on a number of audits in progress which had commenced but had not yet been completed. She also stated that the introduction of the Choice Based Lettings System had been delayed and therefore the audit would be deferred until 2009-10.

Members were keen to know what the current situation was in respect of the cash collection contract. The Head of Governance and VFM stated that the contract had not been re-tendered for a number of years and there was a requirement to consider Value for money and best practice in the delivery of Council services.

RESOLVED:

That the contents of the Internal Audit Report for Quarter 2 of 2008-09, be noted.

20. Strategic Risk Register

Consideration was given to the Report of the Director of Governance (Enclosure 5.1 – 5.4 of the Official Minutes of the Council).

Prior to consideration of the report, a revised streamlined format of the Strategic Risk Register was circulated which had previously been considered by Directors Management Team. Members were keen to receive both the in-depth and streamlined format of the Strategic Risk Register at future meetings of the Audit and Governance Committee.

The Head of Governance and VFM advised that there were 6 red risks and not 5 as stated in the report.

Members referred to the Strategic Risk Register and identified a number of risks which scored 15 (high risk) or more, and questioned whether any action would be taken to reduce those risks. The Head of Governance and VFM stated that actions were planned for high risks. She also explained that for some risks, whilst work would be carried out the score may not reduce significantly. This was particularly the case where there was a risk of death as this would always score as a 5, for impact (catastrophic) which would usually be combined with a 3 for likelihood (possible), giving a total score of 15.

Members asked for a report on all risks with a score of 15 or more and asked that the relevant Directors attend a future meeting.

In the event of an emergency Members sought clarification with regard to who had been designated as the lead officer in the absence of the Chief Executive and requested that Members be provided with a list of contact numbers should Members have enquiries from the public in the event of an emergency. The Director of Governance explained that there was a system of gold and silver teams who led on emergency planning and this included arrangements for when the Chief Executive was not present. The Head of Governance and VFM reported that there was a rota and a system of 'Director on call'. The Director on

call would be contacted and then the Chief Executive would become involved at a later stage. She stated that there was a system in place to deal with emergencies and appropriate training was undertaken by Officers.

The Director of Governance also referred to an incident that had occurred in Norton Canes where the Council's emergency plan came into effect and reported that the Council had undertaken work in relation to major incident planning following the incident. There had been some failings in respect of communications however these would be addressed.

She also advised that she was planning to work alongside Members next year and provide some training on how emergencies should be dealt with.

The Director of Governance indicated that he would provide a briefing note on what Members should do in the event of a disaster and who the public should contact if this happened.

RESOLVED:

- (A) That the Strategic Risk Register be noted.
- (C) That both the in-depth and streamlined format of the Strategic Risk Register be received at future meetings of the Committee.
- (D) That a report detailing all red risks with a score of 15 or more be provided for a future meeting of the Committee and that the Directors be invited to attend.
- (B) That the Director of Governance provide a briefing note to Members detailing a Members role in the event of a disaster and a contact list should members of the public require assistance.

21. Annual Governance Statement – Progress Report

Consideration was given to the Report of the Director of Governance (Enclosure 6.1 – 6.7 of the Official Minutes of the Council).

The Head of Governance and VFM and Director of Governance gave a presentation to Members on Corporate Governance.

Information was provided on Governance, the Governance Framework, the 6 Principles of Good Governance, Responsibilities, Monitoring, Reporting and the Annual Governance Statement (AGS) and the AGS Assurance Framework.

Members were keen to know whether anyone else looked at the Council's standing orders in the Constitution other than Members for example External Audit. The Director of Governance stated that the standing orders had only been agreed by Members, although the Constitution was essentially a Members book of procedural rules relating to Council meetings and could be changed.

Reference was made to enclosure 6.4, item 2 of the report which referred to the Council's asset management strategy and asset management plan which had not recently been

updated.

The Director of Governance stated that the issue of the asset register was currently under review and DMT had requested a work plan to be prepared to deliver the asset management strategy register.

The Head of Governance stated that certain records such as buildings records were available; however there was a requirement to create a register which compiled all of the Council's assets.

Councillor Mrs. M.A. Davis requested a copy of the work plan for the delivery of the asset management plan and asked for an officer to attend a future meeting given that there had been some concern and this had been an issue for some time.

The Director of Governance reported that the Committee last year had made a request to Cabinet for a policy option for a contingency budget for staff to be put in place for the audit section given that the audit plan had not been delivered due to staff absence and sickness. Cabinet recently considered this request as part of the policy option budget process and rejected the request on the basis that it would set a precedent for other services in similar circumstances and could result in money being unused or used unnecessarily in years where there was no staff absence.

The Head of Governance and VFM reassured the Committee that if Internal Audit were experiencing staff shortages which would have a significant impact on the delivery of the audit plan, this would be reported to the Committee and additional funding would be sought to address the situation.

RESOLVED:

- (A) That the contents of the progress report on the Annual Governance Statement for 2007-08, be noted.
- (B) That a copy of the work plan for the delivery of the asset management plan be presented at a future meeting of the Committee and an officer be requested to attend.

CHAIRMAN