

**MINUTES OF THE CORPORATE COMMITTEE  
MONDAY, 29 SEPTEMBER 2014**

Councillors: M Blake, Ejiofor, Elliott, Engert, Griffith (Vice-Chair), Ibrahim, Jogee, McShane, Meehan (Chair) and Opoku

Apologies: Councillor Adamou

<b>MINUTE NO.</b>	<b>SUBJECT/DECISION</b>	<b>ACTION BY</b>
<b>CNCL363</b>	<b>APOLOGIES (IF ANY)</b>  Apologies for absence were received from Councillor Adamou and from Councillors Ibrahim and M Blake for lateness.	
<b>CNCL364</b>	<b>URGENT BUSINESS</b>  There were no items of urgent business.	
<b>CNCL365</b>	<b>DECLARATIONS OF INTEREST</b>  There were no declarations of interest.	
<b>CNCL366</b>	<b>DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS</b>  There were none.	
<b>CNCL367</b>	<b>MINUTES</b>  <b>RESOLVED:</b>  That the minutes of the meeting held on 26 <sup>th</sup> June 2014 be approved as a correct record, subject to the name of Councillor Opoku being included in the list of those councillors who were present at the meeting.	
<b>CNCL368</b>	<b>TREASURY MANAGEMENT JUNE 2014 QUARTERLY ACTIVITY AND PERFORMANCE UPDATE</b>  George Bruce, Head of Finance – Treasury and Pensions, introduced the report as set out in the agenda.  <b>RESOLVED:</b>  That the Treasury Management activity undertaken during the quarter to 30 <sup>th</sup> June 2014, and the performance achieved, be noted.	
<b>CNCL369</b>	<b>STATEMENT OF ACCOUNTS 2013/14 AND AUDIT FINDINGS REPORT (ISA 260)</b>  Kevin Bartle, Assistant Director of Finance and Chief Finance Officer, introduced the report which presented the Statement of Accounts for	

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2013/14 following the completion of the external audit.

The Committee also considered the Annual Report from Grant Thornton on their annual audit of the Council's statutory accounts, value for money and other relevant information. The report was presented by Paul Dossett and Paul Jacklin of Grant Thornton who began by drawing attention to the Executive Summary contained on page 173 of the agenda. They stated that the key messages arising from the audit of the Council's financial statements were:

- a) The Council had continued to improve the quality of its financial statements and the quality of information supporting the transactions and balances within the financial statements had proven to be robust.
- b) A notable improvement in both the quantity and quality of the working papers provided at the start of the audit which were appropriately referenced to the financial statements.

The Grant Thornton representatives continued by saying that the outstanding items referred to in the Executive Summary had been cleared and that they were therefore just waiting for receipt of the Letter of Representation from the Council, which could be sent once the Committee had given its approval to the Statement of Accounts.

They went on to refer to two recommendations contained in the Action Plan at Appendix A on page 197 of the report which were:

- a) That all members of staff should have a signed contract of employment that is filed with their HR records and
- b) The Council should ensure that relevant listings of debtors are run at the year end and saved as evidence to support balances within the financial statements.

The Grant Thornton representatives stated that the Council had continued to strengthen its financial arrangements and manage its budget better than in previous years. They concluded by saying that not only had the Council managed things well during 2014, but also put in place things to ensure good management over the next two to three years, adding that overall they had seen a very positive assessment of value for money.

Officers then responded to a number of questions from, and concerns raised by, members of the Committee relating to wording on the Council's website regarding the minuting of Area Forum meetings; the filing of staff contracts; an increase in sickness levels, and measures to increase income from business rates.

Oliver Craxton, Principal Committee Coordinator, stated that he would take up the concern raised regarding the fact that included in the Annual Governance Statement was the wording 'Area Forum and Committee

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agendas and minutes are available on the Council's website' but that Area Forums are not in fact minuted, only Area Committees, and he undertook to ensure that the wording on the Council's website was amended to reflect current practice.

Officers acknowledged that sickness rates had increased slightly, but it was reported that analysis had been undertaken of the situation and that the Council was taking steps to manage absence levels, including targeting cases where it was believed sickness absence was not genuine.

The Committee were also informed that considerable work was being done in response to Grant Thornton's finding that the contracts of three members of staff could not be found, and consequently to implement the associated recommendation that all staff should have a signed contract of employment which is filed with their HR records.

It was also reported that officers were currently working on producing a Growth Strategy which would lead to an increase in the number of traders in the borough paying business rates.

**RESOLVED:**

1. That the contents of the report, and the oral updates given at the meeting by Grant Thornton, be noted.
2. That the Statement of Accounts for 2013/14, together with the associated Letter of Representation, be approved, subject to any final changes required by the conclusion of the audit, being delegated to the Chief Financial Officer, in consultation with the Chair.
3. That the Audit Findings Report (ISA 260) of the auditors, Grant Thornton, be noted and the management responses in the Grant Thornton action plan contained within that report be approved.
4. That the Committee place on record its thanks to Kevin Bartle, Assistant Director of Finance and Chief Finance Officer, and all the Council officers involved in the preparation of the Statement of Accounts and Paul Dossett, and his team at Grant Thornton, for their sterling work on this matter, and that the Committee's thanks be conveyed to all those concerned.

**CNCL370 EXTERNAL AUDIT - PROGRESS UPDATE**

The Committee received the report of Grant Thornton.

**RESOLVED:**

That the progress report provided by the external auditor, Grant Thornton, be noted.

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**CNCL371 QUARTERLY INTERNAL AUDIT REPORT (QUARTER 1)**

The report was introduced by Anne Woods, Head of Audit and Risk Management. She drew attention to action being taken in regard to tenancy fraud and the fact that two council properties had been recovered and that a further 41 applications were currently under investigation. Anne Woods went on to say that a 'key amnesty' was being planned, to encourage people who were illegally sub-letting council properties to return their keys, without facing prosecution for tenancy fraud.

It was reported that in addition to fraud checks being carried out when Right- to-Buy applications were submitted, a considerable amount of information sharing, both within the Council, and with other authorities, was also undertaken to check, amongst other things, if applicants were on benefits, and if so, for how long.

In response to a question from a member of the Committee, Anne Woods stated that if there was a case for criminal prosecution arising from internal employee investigations, the Council would always liaise with the police, and that in-house disciplinary measures were carried out at the same time as any criminal prosecution.

In response to a question, Tracie Evans, Chief Operating Officer, stated that the Annual Audit Plan was presented to the Committee each March. Consequently, if Members had proposals regarding identifying and prioritising areas of work, and what should be included in the Plan, they should discuss the matter with herself and Kevin Bartle, Assistant Director – Finance, and if appropriate the matter would be added to the Annual Plan..

The Chair referred to schools taking action to address priority recommendations arising from the probity audit, which had been identified following a visit to the school. He stressed that it had been made very clear that if the Committee felt that a school was not performing to a sufficient standard they would be asked to attend a meeting of the Committee to provide an explanation.

Responding to questions from the Committee, Anne Woods stated every school in the borough was audited every three years, but possibly sooner if there were concerns about its financial affairs. She went on to say that in regard to schools, and any other audits carried out, follow-up audit work was undertaken to monitor previous outcomes, and that these were included in the regular progress reports submitted to the Committee.

**RESOLVED:**

1. That the audit coverage and counter-fraud work completed be noted, along with the actions taken during the quarter to ensure audit recommendations are implemented and to address the outstanding recommendations during the first quarter 2014/15.

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	<p>2. That as soon as practicable, the Committee be updated on progress taken by Highgate Wood School and Tiverton Primary School to address the priority recommendations identified in the probity audit following visits to the schools as part of the 2013/14 Internal Audit Plan.</p> <p>3. That Anne Woods, Head of Audit and Risk Management, also undertook to investigate the situation regarding the clearing of cases associated with council property tenancy fraud and report back to the Committee.</p>	
<b>CNCL372</b>	<b>ANY OTHER BUSINESS OF AN URGENT NATURE</b>	
	There were no items of exempt urgent business.	
<b>CNCL373</b>	<b>EXCLUSION OF PUBLIC AND PRESS</b>	
	It was not necessary to pass a resolution to exclude the public and press when consideration was given by the Committee to agenda item 12, as none were present at the meeting.	
<b>CNCL374</b>	<b>CEJCC MEETING MINUTES</b>	
	<p><b>RESOLVED:</b></p> <p>1. The exempt minutes of the meeting of the Council and Employee Joint Consultative Committee (CEJCC) held on 14<sup>th</sup> July 2014 be received.</p> <p>2. That it be noted that in future, the minutes of the CEJCC would be submitted to the Staffing and Remuneration Committee for consideration, and not the Corporate Committee, as the CEJCC was now a sub-committee of the Staffing and Remuneration Committee, following its establishment by Full Council on 21<sup>st</sup> July 2014, and not the Corporate Committee, as was the case previously.</p>	
<b>CNCL375</b>	<b>ANY ITEMS OF EXEMPT URGENT BUSINESS</b>	
	There were no items of exempt urgent business.	
<b>CNCL376</b>	<b>DATE OF NEXT MEETING</b>	
	<p>It was noted that the next meeting was due to be held on Tuesday 25<sup>th</sup> November 2014 at 7.00pm.</p> <p>The meeting ended at 8.22pm.</p>	

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COUNCILLOR GEORGE MEEHAN

CHAIR