

**GOVERNANCE & AUDIT COMMITTEE**  
**2 JULY 2013**  
**7.30 - 8.35 PM**



**Bracknell Forest Borough Council:**

Councillors Heydon (Vice-Chairman), Allen, Ms Brown, McCracken, Thompson and Worrall

**Independent Member:**

Gordon Anderson

**Also Present:**

Alex Jack, Borough Solicitor  
Catherine Morganti, Ernst and Young  
Alan Nash Borough Treasurer

**Apologies for absence were received from:**

Councillors Ward and Blatchford

**4. Declarations of Interest**

There were no declarations of interest.

**5. Minutes**

**RESOLVED** that the minutes of the meeting held on 27 March be approved as a correct record and signed by the Chairman.

**RESOLVED** that, subject to the correction of Mr Gordon Anderson's status, the minutes of the meeting held on 15 May be approved as a correct record and signed by the Chairman.

**6. Urgent Items of Business**

There were no urgent items of business.

**7. Health & Wellbeing Board: Public Participation Scheme**

The Committee received a report setting out a proposed public participation scheme for the Health and Wellbeing Board.

The Health and Wellbeing Board is, in law a committee of the Council. At present the Council Procedure Rules and the Committee Procedure Rules limit schemes of public participation to the Overview and Scrutiny Commission, the Planning Committee, the Licensing and Safety Committee and the Appeals Committee. Whilst it is not a requirement in law to have a scheme it was the wish of the Health and Wellbeing Board to have one.

**RESOLVED** that the Governance and Audit Committee recommend to Council that the Council and Committee Procedure Rules in the Council's Constitution be

amended to permit the Health and Wellbeing Board to implement a scheme of public participation.

**8. External Auditors Audit Committee Briefing**

Catherine Morganti, External Audit Manager, Ernst and Young, presented a report providing a briefing on the current key issues affecting local government and local government finance.

The Committee acknowledged the usefulness of the report, which brought together a number of pieces of information into a single document and requested that similar briefings be brought to future meetings.

The Committee noted the report.

**9. Internal Audit Annual Assurance Report 2012/13**

The Committee received a report containing the annual assurance report.

The CIPFA Code of Practice for Internal Auditors places a duty on the Head of Internal Audit to provide a written report to those charged with governance. The report, which is used to support the Council's Annual Governance Statement, summarises the results and conclusions of Internal Audit work for 2012/13 and includes an overall opinion of the adequacy of the control environment.

It was reported that from the internal audit work carried out during 2012/13 which resulted in 59 out of 63 cases receiving a satisfactory assurance rating, 4 cases receiving a limited assurance rating and no cases occurring where no assurance was given, the Head of Audit and Risk Management was able to provide reasonable assurance that most areas of the Local Authority had sound systems of internal control in place. Four areas were found to have significant weaknesses and measures have been taken to mitigate the risks arising. Arising from the Members' queries the following points were noted:

- Fewer audits were carried out during 2012/13 than in 2011/12 and 2010/11 (63 compared to 76 and 74 respectively). However, the audits done were more intensive and placed a greater demand on resources than those in previous years
- The key Indicator for the CONTROCC Payments and Receipts Audit had not been met because it had not been possible to issue the draft report within the agreed timescales. It was stressed that production of a thorough high quality report was more important than rushing to meet a report deadline but the timeliness of report production was monitored to prevent problems occurring
- Efforts are made to recover overpayments of Benefits when they are identified through claw backs on future benefits payments

The Committee expressed concern that weaknesses had been identified in the pre-employment checks at two primary schools and it was confirmed that the weaknesses related to the lengthy of time that it took for Disclosure Barring Service checks to be completed and an absence of evidence that confirmed that appropriate supervisory measures were put in place for new members of staff who commenced work before the Disclosure Barring Service checks had been completed. The Committee requested reassurance that action had been taken to remedy the situation, including details of the revised arrangements being introduced by the Disclosure Barring Service

The Committee expressed concern that weaknesses had been identified in the arrangements for ICT system provision that would have left the Council vulnerable in the event of a system failure. It was questioned whether disaster recovery processes had been included in the Council's Strategic Risk Register. The Committee requested that their concerns be passed to the Chief Officer: ICT Services and that a report on the matter be brought to the Committee's next meeting.

**RESOLVED** that:

- i. The Head of Audit and Risk Management's Annual Report setting out the Head of Internal Audit's Opinion for 2012/13 be noted
- ii. An update on the weaknesses identified in the pre-employment checks at schools and the actions taken to remedy the situation be brought to the Committee's next meeting
- iii. An update on the weaknesses identified in the ICT disaster recovery system and the actions taken to remedy the situation be brought to the Committee's next meeting

#### 10. **Annual Governance Statement**

The Committee received a report containing the Annual Governance Statement 2012/13 and the Action Plan to make the improvements identified in the Annual Governance Statement.

It was noted that the draft statement had been prepared by the Officer Governance Working Group. Councillor Thompson was thanked for the assistance that he had given to the Group.

**RESOLVED** that:

- i. The draft Annual Governance Statement, as detailed in Appendix 1 of the Director of Corporate Services' report, be approved
- ii. The Action Plan, as detailed in Appendix 2 of the Director of Corporate Services' report, be approved

#### 11. **Code of Conduct for Members: Threshold for Registration of Gifts and Hospitality**

The Committee considered a report seeking a decision on whether the current threshold for registration of gifts and hospitality should be revised or confirmed at its existing level of £25.

Following the introduction of the Localism Act, local authorities were free to set their own thresholds for the registering of gifts and hospitality that are received as a result of being either a member of the Council or because they have been appointed to a position by or on behalf of the Council. The Standards Committee had considered the matter at their meeting on 24 June 2013. The Committee endorsed the recommendations of the Standards Committee that notification should be made when:

- i. Gifts or hospitality are received with a value that exceeds £25
- ii. Gifts or hospitality (of any value) are received which when the value is combined with the value of any other gift or hospitality from the same source providing the gift of hospitality in the preceding period of one year exceeds £25

**RESOLVED** that it is recommended to Council that paragraph 11 of the Code of Conduct for Members Registration of Gifts and Hospitality should be revised in the following terms:

You should promptly notify the Head of Democratic and Registration Services of :-

- (a) gifts or hospitality the value of which exceeds £25.
- (b) gifts or hospitality (of any value) the value of which combined with the value of any other gift or hospitality from the same source providing the gift or hospitality in the preceding period of one year exceeds £25

which you and/or your spouse/partner receive because (or which a reasonable member of the public would infer because) you are a Member of the Council or you have been appointed to any position by or on behalf of the Council.

Where the value is not immediately apparent the value is that which a reasonable member of the public would estimate for the gift or hospitality. You should err on the side of caution i.e. if there is any doubt as to whether the gift or hospitality is registrable you should register it.

The notice to the Head of Democratic and Registration Services should state:-

- (a) the nature of the gift or hospitality provided
- (b) the identity of the source providing the gift or hospitality, and
- (c) the date on which the gift or hospitality was provided.

The register of gifts or hospitality will be made available for public inspection.

## 12. **Review of the Member and Officer Protocol**

The Committee considered a report setting out proposed amendments to the Member and Officer Protocol following the introduction of Portfolio Review Groups.

Members' attention was drawn to the following proposed amendments, made by the Standards Committee, to the draft Protocol set out in Annex A of the Director of Corporate Services' report:

- Paragraph 2.5: final sentence to be amended to read: the Council is required to designate an officer to provide advice and support to the Overview and Scrutiny Commission and the Overview and Scrutiny Panels
- Paragraph 4.6 final sentence to be amended to read: Accordingly, Executive members should be aware that the advice which they receive from officers may be disclosed and/or subject to scrutiny.

**RESOLVED** that subject to the amendments detailed above the Committee recommends to Council the amendment of the Member and Officer Protocol as proposed in the report to the Standards Committee on 24 June 2013.

## 13. **Scheme of Delegation: Dwelling Extension Prior Approval**

The Committee considered a report seeking an amendment to the Scheme of Delegation in relation to the delegated powers of the Chief Officer: Planning and Transport.

Planning legislation grants 'blanket' planning permission for certain categories of development with the specified categories being classified as Permitted Development. The Secretary of State recently issued regulation which effectively grants planning permission for larger extensions than those previously specified as Permitted Development if the developer receives no notification of the Council's refusal to grant prior approval within 42 days of notification of the proposed development being served on the Council by the Developer. This 42 day timescale for granting or refusing prior approval will make it impractical to bring the matter before a scheduled meeting of the Planning Committee. The proposed changes to the Scheme of Delegation would enable the Chief Officer: Planning and Transport to approve or refuse prior approval.

**RESOLVED** that Council be recommended to amend the delegated powers of the Chief Officer: Planning and Transport as proposed in the Director of Corporate Services' report.

14. **Scheme of Delegation: Section 52 Agreements**

The Committee considered a report seeking an amendment to the Scheme of Delegation to Officers to provide the Chief Officer: Planning and Transport the power to determine applications for the release or amendment of provisions contained in agreements entered into under section 52 of the Town and Country Planning Act 1971.

**RESOLVED** that Council be recommended to amend the Scheme of Delegation to Officers as proposed in the Director of Corporate Services' report.

**CHAIRMAN**