

Minutes of a meeting of the Governance and Audit Committee held on Friday 23 January 2015 at City Hall, Bradford

Commenced 1000

Concluded 1150

PRESENT – Councillors

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT
Ellis	M Slater	Middleton
	L Smith	
	Swallow	

Councillor L Smith in the Chair**53. DISCLOSURES OF INTEREST**

- (1) In the interest of transparency Councillor M Slater disclosed an interest as he was a Member of the West Yorkshire Pension Fund Joint Advisory Group and Investment Advisory Panel.
- (2) Councillor Middleton disclosed an interest in Minute 58 as he was a Trustee of a Children's Centre.
- (3) All those who were in the West Yorkshire Pension Fund disclosed an interest.

ACTION: Assistant City Solicitor**54. MINUTES****Resolved -**

That the minutes of the meeting held on 21 November and 12 December 2014 be signed as a correct record.

55. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no appeals submitted by the public to review decisions to restrict documents.



56. EXCLUSION OF THE PUBLIC

Resolved –

That the public be excluded from the meeting during the discussion of Appendix 2 relating to the IT Transition Programme Plan on the grounds that it is likely, in view of the nature of the proceedings, that if they were present, exempt information within Paragraph 3 (Financial or Business Affairs) of Schedule 12A of the Local Government Act 1972 (as amended) would be disclosed and it is considered that, in all the circumstances, the public interest in allowing the public to remain is outweighed by the public interest in excluding public access to the relevant part of the proceeding for the following reasons:

It is in the public interest in maintaining the exemption because it is in the overriding interest of proper administration that Members are made fully aware of the financial implications of any decision without prejudicing the financial position of the authority.

57. IT TRANSITION PROGRAMME PLAN

The Director of Finance submitted a report (**Document “AF” – which contained Not for Publication Appendix 2**) which provided an update to the Committee on the Council’s plan to transition the IT service from an outsource model to an in-house delivered service. The Strategic Partnership contract ends Friday the 4th September 2015 at midnight.

The Assistant Director Information Services spoke on the contents of the report and stated that the programme outcomes were to:

- Deliver a successful transition from the current strategic partnership agreement with IBM to a model of in-house provision for IT services.
- Deliver an in-house IT organisational structure which provided a foundation to support IT strategic vision.
- Deliver a Valued IT Service to the Council, the District and its Citizens.
- Deliver a transition which was seamless and where there was no degradation in service levels.

In response to Members’ questions it was reported that the majority of the staff delivering the IT service on a daily basis were former Council staff which were seconded to Serco, these staff would revert to being Council employees at the end of the contract. There were a small number of IBM and Serco staff who may have TUPE rights, these would be identified as part of the transition plan and managed in accordance with advice from HR and legal services.

Members commented on the following issues:

- It was extremely important that all the information on the Committee/Minutes database was not lost.
- What were the financial savings in delivering the service in-house?
- The current fostering recording system was extremely complex.
- Were appropriate Council procurement processes being followed when services were making IT purchases?

In response to Members' comments it was reported that:

- It was proposed that the Committee/Minutes information would be managed through modern.gov; there would be a migration period where all the information on the Committee/Minutes database would be transferred over.
- Managing the contract in-house would achieve the budget savings required; the IT transition programme would deliver significant savings in 2015/16 (£0.8 million) and 2016/17 (£3.95 million).
- Consultation regarding the new organisational structure would be in accordance with appropriate HR procedures. It was hoped that the new organisational structure would become effective from the date of the end of the current contract.
- The new IT support needed to be manageable and affordable.
- It was very rare that correct processes were not being followed when departments were making IT purchases; the service was clamping down on ICT control and procurement.
- The Council had procedures and rules on procurement and who had authority on spend.

Resolved –

- (1) **That Senior Management be reminded to comply consistently with IT planning, design and procurement procedures.**
- (2) **That a progress report be presented to the Committee in the new Municipal Year.**

ACTION: Assistant Director, Information Services/Finance Director

58. **ANNUAL GOVERNANCE STATEMENT 2014**

Previous Reference: Minute 7 (2014/15)

The Director of Finance submitted **Document “AD”** which updated members on the progress and improvements being made in addressing those significant governance concerns reported in the Council's Annual Governance Statement 2014.

The Annual Governance Statement (AGS) was formally reviewed and approved by the Governance and Audit Committee at its meeting on 20 June 2014.

The Statement reported that the Governance and Audit Committee would be kept informed of progress in addressing weaknesses and areas of concern.

Members commented on a number of issues which included:

- Concerned that only 10 Staying Put (continued foster care to young people post 18 to the age of 21) places would be funded when there were 40 young people to support.
- Were foster carers given extra support for the Staying Put scheme?
- Bradford had a good track record of maintaining Looked After Children with foster carers, risk with Staying Put is that children do not want to stay after they reach 18 years of age.
- Other implications listed in Section 7 of the report needed further details.

- The Governance Challenge on the management of Ofsted outcomes details a number of partnerships, it would be useful for Members to know who these bodies were, how they interrelated with each other and the governance arrangements of these various partnerships.
- Do people represented on the various partnerships have an understanding of how the partnership they are on work and their purpose and outcomes?
- Were family members looked into when placing children for adoption?
- In relation to the governance challenge on engaging with citizens and stakeholders how were Members engaged with the New Deal Programme?
- What scrutiny was being undertaken on cash transactions; were procurement cards less riskier than cash because they provided an audit trail?

In response to Members' questions it was reported that:

- The statement on Staying Put did not imply that the remaining 30 children would not be supported; children would be supported and factored into the budget process; the Council was seeing a rise in Looked After Young People.
- Extra support would be provided to foster carers for the Staying Put scheme.
- Family members were considered when looking at placing children for adoption; there had been significant investment through the Adoption Reform Grant over the last two years to speed up and improve the adoption process for children.
- An engagement and participation programme designed to support the development of a new deal for the District was under way; the participation programme would run from September 2014 through to late 2015, applying appropriate methods and techniques depending on the stakeholder group and the purpose of engaging them.
- There were very few cash transactions; the service was looking to increase the use of procurement cards for which data was easily available in terms of spotting any irregularities; procurement cards gave instant accounting.

Resolved -

- (1) That the information contained in Document "AD" and the progress made in addressing the significant governance challenges were reviewed and the comments made by Members be taken on board.**
- (2) That the further actions planned be endorsed.**
- (3) That officers and Members be alerted to any emerging governance concerns requiring review during the 2014-5 process.**
- (4) That in relation to the governance challenge on Management of Ofsted Outcomes (detailed in Appendix 1 to Document "AD") the Committee requests a comprehensive report outlining the governance structures supporting Children's Services to better understand the governance framework and how different groups and elements relate to each other.**

ACTION: *Finance Director/
Strategic Director Children's Services (Decision 4)*

59. **EXTERNAL AUDIT PROGRESS REPORT FOR THE 2014/15 AUDITS OF CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL AND WEST YORKSHIRE PENSION FUND**

The External Auditor presented **Document “AE”** which updated the Committee on progress with the 2014/15 audits and highlighted key emerging national issues which may be of interest to the Committee.

Members suggested that emerging issues and developments listed in the report should relate to Bradford; or that the report should state that in Bradford’s case it was not practicable.

The External Auditor reported that the above suggestion could be reflected in the Audit Staffing Memorandum and where appropriate could specify where a matter was not a significant concern for Bradford.

Resolved -

That the External Audit Progress report was considered and areas for improvement were suggested by the Committee.

ACTION: External Audit

Chair

Note: These minutes are subject to approval as a correct record at the next meeting of the Committee.

THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER