

## Minutes of a meeting of the Governance and Audit Committee held on Friday 17 April 2015 at City Hall, Bradford

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Commenced 1100  
Concluded 1250

### PRESENT – Councillors

<b>LABOUR</b>
K Hussain
M Slater
L Smith

Apologies: Councillor Baroness Eaton

### Councillor L Smith in the Chair

#### 74. 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) In the interest of transparency all those who were in the West Yorkshire Pension Fund disclosed an interest.

**ACTION:** *Assistant City Solicitor*

#### 75. INSPECTION OF REPORTS AND BACKGROUND PAPERS

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



## 76. **MANAGEMENT CONTROLS IMPLEMENTED RELATING TO HOUSING BENEFIT SUBSIDY**

Previous Reference: Minute 62 (2014/15)

The audit for the 2013/14 claim found examples of Housing Benefit cases where the claimants 'earned income' had been calculated incorrectly. The consequence of this being an overpayment of the subsidy the Government had paid to the Council.

Members were reminded that this Committee on the 20 February 2015 considered the External Audit report on the Certification of Claims and Returns 2013/14 and requested further information on the measures that had been put in place to ensure that 'earned income' was calculated correctly when assessing Housing Benefit subsidy.

In accordance with the above the Finance Director submitted **Document "AO"** which detailed the information requested by Members.

It was reported that the Council received 245,000 pieces of work relating to Housing Benefit in 2013/14, either new claims or changes to claims that were already in payment.

Members were informed that housing benefit was complicated and required a good understanding of some complex legal requirements and a high attention to detail; the scheme was also subject to regular and significant change. To ensure staff were capable, the Council had a rigorous recruitment process and an extensive induction and on the job training programme.

It was reported that

- In the autumn of 2013, when issues relating to accuracy of earned income were first raised, additional targeted checking was introduced. A monthly report was produced of all cases processed that month, containing earned income and a selection of these were inspected. At least one piece of work for each member of staff, who had input a claim with earned income in that period, was checked.
- These additional checks had confirmed that the majority of errors were not due to a lack of knowledge but down to human error; transposing figures or mistyping for example. It also confirmed that it was not the same people making repeat errors.
- The Council would continue to use the measures outlined in the report, to ensure a culture where attention to detail was paramount, to reduce the risk of errors entering the system.
- The issue of subsidy qualification was not unique to Bradford; in May 2014 the DWP reported that subsidy qualification letters had been issued to 78% of Councils for the 2011/12 claim. Four principal areas of qualification were identified, two of which were "assessment" errors and "data entry" errors.
- From an overall subsidy of £177,485,918 the Council had been required to pay back a total of £494.

Members felt assured that appropriate measures were in place to minimise the risk of income being calculated correctly.

**Resolved -**

**That the approach taken to the management checking of Housing Benefit claims that include earned income and the progress made be welcomed.**

## 77. **CONTRACT STANDING ORDERS**

The report of the City Solicitor (**Document “AU”**) provided members with details of the annual review of Contracts Standing Orders sections of the Council’s Constitution and made recommendations for their amendment.

Members were informed about the proposed amendments to the Contracts Standing Orders which were also detailed in paragraph 3 of the report.

It was reported that since the report had been written a further two additional changes to the draft Contract Standing Orders had been made which were:

Section 14.7 For every contract or framework agreement over the EU threshold, a written report was required which included details of: the winning bid, the suppliers involved, results of any selection process, the value and subject matter of the contract, justification for using any negotiated type procedure, any decision not to award, reasons for not using electronic communications, any conflict of interest, reasons for rejecting abnormally low bids.

Section 15.7 Contract variations which were not within the scope of the original contract were also permitted where:

- 15.7.1 additional works, goods or services were required and a change of contractor could not be made for economic or technical reasons or would cause significant operational disruption.
- 15.7.2 the variation could not have been foreseen and did not alter the overall nature of the contract
- 12.7.3 any increase in price was still within the financial threshold of the original procurement and did not exceed 50% of the initial contract value.

### **Resolved -**

- (1) That the proposed amendments to Contracts Standing Orders listed in Appendix 1 to Document “AU” be recommended to Council for adoption and implementation.**
- (2) That the Assistant City Solicitor reports any recommendations to Council and ensures the agreed amendments are implemented.**
- (3) That the Assistant City Solicitor be granted delegated authority to make consequential amendments to the Constitution as a result of the recommendations approved by Full Council.**

***ACTION: Assistant City Solicitor***

## 78. **PROTOCOL FOR FILMING AND RECORDING OF MEETINGS**

On the 6<sup>th</sup> August 2014, the Local Government Secretary Eric Pickles published a guide for local people and the press explaining how they could attend and report their local council meetings. The new guidance explicitly states that councils should allow the public to film council meetings.

The Assistant City Solicitor submitted **Document “AP”** which proposed the adoption of a draft protocol to give further advice to the public on the arrangements put in place by this Council for the fair exercise of these rights at meetings of Council, Council Committees, sub-committees, Panels and at meetings of the Executive.

In response to Members’ questions it was reported that the Council had a right to respond to any inappropriate and misleading editing of a recording of a meeting which had been published in the public domain.

**Resolved -**

**That the draft Protocol for Filming and Recording of Council Meetings as contained in Appendix 1 to Document “AP” be recommended to Council for adoption.**

***ACTION: Assistant City Solicitor***

## 79. **REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) – POLICY, USE AND ENFORCEMENT ACTIVITY – ANNUAL REVIEW**

Previous Reference: Minute 74 (2013/14)

The City Solicitor submitted **Document “AQ”** which provided information on:

- The Legal Framework and how the Councils officers could deploy covert surveillance techniques authorised under RIPA to investigate serious crime.
- The role of the Councils Senior Responsible Officer, the Council RIPA Coordinator and monitoring officer and the annual review and internal audit March 2015.
- The Councils use and outcomes of the use of authorised and approved covert surveillance operations for the last 3 years.
- The Councils continued compliance with RIPA, use of CCTV, body cameras and covert internet Investigations.
- The 2015/16 annual training programmes for officers.
- Contribution to the Councils priorities and recommendations.

It was reported that Specialist Training for CHIS (Covert Human Intelligence Source) had been undertaken this week.

The RIPA Co-ordinator advised Members that a policy was required on RIPA implications of using social media in criminal investigations which would ensure such investigations were regulated and would provided advice to officers who undertook such investigations.

Members were pleased to note that the number of authorisations for covert surveillance under RIPA for 2014/15 had fallen to zero across all departments as overt means had been used to investigate all criminal offending considered by the Council.

**Resolved -**

- (1) That the duties placed on the Council under the Human Rights Act 1998 were considered in the context of the report.**
- (2) That the Council's continued compliance with RIPA and the OSC (Office of the Surveillance Commissioner) inspection in July 2013 and the completed implementation of the RIPA training programme be noted.**
- (3) That the 2015 WYLAW (West Yorkshire Law) programme of training of Officers (in order to continue to raise awareness) and enforcement officers under RIPA be noted.**
- (4) That the authorisation of covert surveillance techniques under Human Rights Act 1998 open to a local authority in exceptional circumstances i.e. when the offending falls beneath the serious offence threshold or in a disciplinary context be disapproved.**
- (5) That the Assistant City Solicitor provides a report to the Committee on the RIPA implications of using social media in criminal investigations.**

***ACTION: Assistant City Solicitor***

**80. AUDIT STRATEGY MEMORANDUM**

The External Auditor reported on the Audit Strategy Memorandum (**Document "AR"**) which sets out the plan for the external audit of City of Bradford Metropolitan District Council for 2014/15.

The report described the External Audit approach to the audit opinion on the accounts and the value for money conclusion; included the assessment of significant risks of material misstatement in the accounts and for the value for money conclusion and outlined the proposed testing strategy to address the identified risks.

The Chair stated that discussions were taking place in terms of the Committee monitoring the budget although financial reports were submitted to Corporate Overview and Scrutiny Committee they were not submitted for this Committee's consideration; the Committee were also wanting to look at the risks associated with the Better Care Fund.

**Resolved –**

**That the Audit Strategy Memorandum for the City of Bradford Metropolitan District Council for 2014/15 was considered.**

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

The External Auditor submitted **Document “AS”** 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.

The Chair stated that the response required by External Audit by 30 June 2015 on the questions detailed in Part 2 of the report would be undertaken after consultation with the Committee.

**Resolved -**

- (1) That the external audit progress report and briefing was considered and welcomed.**
- (2) That a response be provided to External Audit by 30 June 2015 to questions about arrangements to prevent and detect fraud and to comply with applicable law and regulations after discussion with the Committee at its first meeting of the new Municipal Year.**

**ACTION: Finance Director**

**82. REVIEW OF CONSTITUTION**

The Assistant City Solicitor submitted **Document “AT”** which provided Members with details of proposed amendments to the Constitution for recommendation to Council to be implemented at the commencement of the municipal year 2015/16.

The report detailed proposals for certain decision making relating to community governance reviews to be delegated to this Committee.

The Assistant City Solicitor informed Members about the proposals for Community Governance Reviews which gave local people the right to initiate a community governance review by petitioning their district Council. A petition could seek, among other things, the creation of a new parish, the abolition of an existing parish or an alteration to the areas of a parish.

It was proposed that the terms of reference of this Committee be amended to include consideration of community governance reviews, (detailed in paragraph 3.8 of Document “AT”).

The delegation of the elements (listed in the report) of the community governance review process to this Committee would allow for the more timely and effective conduct of reviews while reserving the final decision to full Council.

**Resolved -**

**That the amendment to Article 9 of the Constitution set out at paragraph 3.8 of Document “AT” be recommended to Council.**

***ACTION: Assistant City Solicitor***

Chair

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

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