

Minutes of a meeting of the Governance and Audit Committee to be held on Tuesday, 27 June 2017 at 10.00 am in Ernest Saville Room - City Hall, Bradford

Commenced 10.00 am
Concluded 12.15 pm

Present – Councillors

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT
M Pollard	Johnson Thornton Swallow	Reid

Councillor Johnson in the Chair

1. DISCLOSURES OF INTEREST

- (1) Councillor Pollard disclosed an interest in Minute 5 as he was a Member of the Governing Body of a school that was part of a multi-academy trust.
- (2) Councillor Swallow disclosed an interest in Minute 5 as she was a governor of a local authority school and a Member of SACRE (Standing Advisory Council on Religious Education).
- (3) Councillor Reid disclosed an interest in Minute 5 as he was a Member of SACRE.
- (4) Councillor Thornton disclosed an interest in Minute 4 as he was the Chair of the West Yorkshire Pension Fund Joint Advisory Group.
- (5) All those who were Members of the West Yorkshire Fund disclosed an interest.

Action: City Solicitor

2. MINUTES

Resolved-

That the minutes of the meeting held on 25 April 2017 be signed as a correct record.

3. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no requests made to inspect background papers.



4. **MINUTES OF WEST YORKSHIRE PENSION FUND (WYPF) PENSION BOARD HELD ON 19 APRIL 2017**

The Council's Financial Regulations requires the minutes of meetings of the WYPF be submitted to this Committee.

In accordance with the above the Director of West Yorkshire Pension Fund submitted **Document "A"** which reported on the minutes of the meeting of the WYPF Pension Board held on 19 April 2017.

Members sought clarification on the update relating to the actuarial valuation of the West Yorkshire Pension Fund (Minute 21) and the Guaranteed Minimum Pension (GMP) Reconciliation exercise (Minute 22).

In response to a Members question it was reported that there was nothing to indicate that the Pension Fund was not performing well. The actuarial valuation had been prepared based on the situation at 31 March 2016 and by September 2016 the value of the fund had increased by 25%.

Resolved-

That the minutes of the WYPF Pension Board held on 19 April 2017 were considered.

5. **ROLE OF THE REGIONAL SCHOOLS COMMISSIONER AND THEIR RELATIONSHIP WITH THE LOCAL AUTHORITY**

This Committee at its meeting held on 26 February 2016 considered a report on Children's Services Governance and Audit (Document "AD") and resolved amongst other things, that a further report be presented to the Committee on the role of the Regional Schools Commissioner and their relationship with the Local Authority.

In accordance with the above the Strategic Director, Children's Services submitted **Document "B"** which provided the information requested by Members.

Members commented on a number of issues which included:

- Did free schools and academies take on board the local syllabus and policy on collective worship etc? did academies consider what happened previously at a school under SACRE (Standing Advisory Council on Religious Education) such as exemptions from providing Christian Collective worship?
- Did the Regional Schools Commissioner (RSC) work with the authority on school admissions and issues such as whether there were enough school places available? How would RSC ensure that there were enough school places available?
- Who was on the membership of the Regional Headteacher Boards?



- It was essential to have a good working relationship with the RSC specifically with regard to improving standards in all Bradford Schools.
- What was the relationship between Ofsted and RSC?

In response to Members questions it was reported that:

- All the information relating to a school that became an academy was shared with the Academy Trusts; Academy Trusts made the decision on future syllabus of a free/academy school but would give consideration to what was being delivered locally.
- The RSC/academies did work with the authority on school admissions and there was good intelligence sharing.
- There were no Bradford Headteachers on the Regional Headteacher Board; the Board comprised of outstanding academy headteachers and Sector leaders, many of whom were directly elected by the education sector; when a failing school was asked to become an academy the request was initially considered by the Headteacher Board and then the RSC.
- The role of the RSC included liaising with the Council about the impact of certain decisions.
- Admissions into an academy school would be undertaken in line with the School Admissions Code.

Resolved-

That the report (Document “B”) be received for information.

6. CHILDREN'S SERVICES PLAN FOR THE EFFECTIVE SCRUTINY OF EXTERNAL BODIES AND PARTNERSHIPS RESPONSIBLE FOR SCHOOL IMPROVEMENT

This Committee at its meeting held on 26 February 2016 considered a report on Children’s Services Governance and Audit (Document “AD”) and resolved amongst other things, that a further report be presented to the Committee on the plan for the effective scrutiny of external bodies and partnerships responsible for school improvement.

In accordance with the above the Strategic Director, Children’s Services submitted **Document “C”** which provided the information requested by Members.

It was reported that the local authority had a good working relationship with all external agencies and there was good intelligence sharing between them.



Members made the following comments:

- As the Council reduced in size, how was the Council going to scrutinise all the different bodies and partnerships responsible for school improvement, such as the Schools Forum? And ensuring relationships were maintained effectively?

In response to the comments raised by Members it was reported that:

- Bodies such as Schools Forum were well organised, the conduct of business was well executed and it had professional support from officers and came out very strong in the Ofsted Inspection.
- It was important to note that the local authority had no influence on the quality of the school improvement support brokered and delivered by the Teaching Schools Alliance and the Multi Academy Trusts, the scrutiny role was undertaken by the RSC.
- Effective relationships with the various partnerships kept the authority well informed.
- The arrangements for the scrutiny of external providers of school improvement was detailed in paragraph 3 of Document “C”.

Resolved-

That the report (Document “C”) be received for information.

7. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) - POLICY, USE AND ENFORCEMENT ACTIVITY - ANNUAL REVIEW

The City Solicitor submitted **Document “D”** which provided information relating to:-

- The legal framework and how the Council’s officers may deploy covert surveillance techniques authorised and approved under RIPA to investigate serious crime.
- The OSC (Office of Surveillance Commissioners) inspection October 2016.
- The Council’s use and outcomes of authorised and approved covert surveillance operations for the last 3 years and overt enforcement activity.
- The role of the Council’s Senior Responsible Officer (SRO), the Council RIPA Coordinator and Monitoring Officer and the annual review and internal audit May 2017.
- The Council’s continued compliance with RIPA, use of close circuit television (CCTV), body cameras and covert internet Investigations.
- The 2017/18 annual training programme for officers.
- Contribution to the Council’s priorities.

Members made the following comments:

- Were Adult Social Care staff fully trained on RIPA?
- Update on the training of Adult Social Services needed to be included in



the monitoring reports due to the Committee.

- Did RIPA apply to local authority maintained schools?
- What was the reason for the reduction in prosecutions under RIPA?

In response to the comments raised by Members it was reported that:

- Training had been offered to Adult Social Care staff on a number of times; further training would be provided starting at Strategic Director level down to other management; a briefing note would also be prepared to share with Strategic Directors and Corporate Management Team.
- local authority maintained schools were governed by RIPA but the academies were not.
- RIPA also applied to other public bodies and any body acting as an agent for the Council.
- Reduction in criminal prosecutions were due to lack of staff resources.
- The definition of covert surveillance was “surveillance which was carried out in a manner calculated to ensure the person under investigation was not aware it was being undertaken”.

The Chair congratulated officers in maintaining a highly effective RIPA process.

Resolved-

- (1) That the duties placed on the Council under the Human Rights Act 1998 are considered in the context of the report and the Council’s continued compliance with RIPA be noted.**
- (2) That the implementation of the OSC (Office of Surveillance Commissioners) recommendations following the inspection in October 2016 is completed alongside those outstanding from the 2013 recommendations (paragraphs 3.3 and 3.4 detailed in Document “D”)**
- (3) That the 2017/18 programme of training of Officers (in order to update Strategic Directors to raise awareness) and enforcement officers under RIPA be noted.**
- (4) That reports on use or none use of covert surveillance techniques be presented to the Committee quarterly.**

Action: City Solicitor

8. EXTERNAL AUDIT PROGRESS REPORT FOR THE 2016/17 AUDITS OF CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL AND WEST YORKSHIRE PENSION FUND

The External Auditor submitted **Document “E”** which reported on the progress with the 2016/17 audits.

Based on the work to date relating to Bradford Council’s audit progress it was



reported that there had been no significant matters arising to report and that there were no changes to the initial assessment of significant risks as set out in the Audit Strategy Memorandum.

Members were informed that External Audit were shortly due to start the audit of the draft financial statements which were received in mid June. It was reported that this was earlier than previous years and External Audit were working with the Council's finance team to bring forward accounts preparation and audit to prepare for the new deadlines that would apply for 2017/18. Next year the draft financial statements required clarification by the end of May and audit completion by the end of July.

It was reported that in relation to the West Yorkshire Pension Fund, External Audit presented the Audit Strategy Memorandum at the March meeting of the Committee and there were no significant matters arising to date to report to Members and there were no changes to the initial assessment of significant risks or planned programme of work. It was reported that External Audit had received the draft financial statements at the start of June and had commenced their planned programme of work.

Resolved-

That the External Audit progress report was considered.

Action: External Audit

9. ANNUAL GOVERNANCE STATEMENT 2016-17

The Strategic Director of Corporate Services submitted **Document "F"** which set out the requirement to conduct the annual review of the effectiveness of the Council's governance framework and system of internal control. It reported the conclusions of that review and produced the Annual Governance Statement for 2016-17 to accompany the Council's Statement of Accounts.

Members made the following observations:

- What was meant by handling objections appropriately to avoid delay and uncertainty on the implementation of decisions detailed in paragraph 6.3?
- In relation to Governance Challenges 2017/18 it was important that the Council had up to date management systems such as risk, procurement, income and health and safety.

In response to Members comments it was reported that:

- In relation to 6.3 further review needed to be undertaken on how responses to budget proposals were handled such as giving sufficient time for objections.
- Over the past 12 months the Council had found it increasingly difficult to



resource and update some of the Council's management systems such as risk, procurement, income and health and safety. This had resulted in information becoming out of date and weakening management controls. This needed to be reviewed to ensure that the Council's management systems continued to be effective.

- It had come to light that there were pockets of the Council that did not understand what was required and improved training in areas such as procurement, risk management, income and health and safety would be provided in order that officers were being compliant with the Council's management systems.

Resolved-

That the Leader of the Council and the Chief Executive be authorised to sign the Annual Governance Statement on behalf of the Council, to accompany the Statement of Accounts 2016-17.

Action: Strategic Director, Corporate Services

10. INTERNAL AUDIT ANNUAL REPORT 2016/17

The Strategic Director of Corporate Services submitted **Document "G"** which informed the Committee about the service Internal Audit had provided to the Council during the financial year 2016/17.

Resolved-

That the work carried out by Internal Audit during 2016/17 be recognised and supported.

Action: Strategic Director, Corporate Services

Chair

