

Minutes of a meeting of the Governance and Audit Committee held on Thursday, 30 November 2017 in Committee Room 3 - City Hall, Bradford

Commenced 10.00 am
Concluded 11.30 am

Present – Councillors

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT AND INDEPENDENT
M Pollard	Johnson Thornton Swallow	Reid

Councillor
Johnson
in the
Chair

21. DISCLOSURES OF INTEREST

In the interest of transparency all those who were Members of the West Yorkshire Pension Fund disclosed an interest.

Action: City Solicitor

22. MINUTES

Resolved-

That the minutes of the meeting held on 28 September 2017 be signed as a correct record.

23. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no requests made to inspect background papers.

24. LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN - REVIEW OF LOCAL GOVERNMENT COMPLAINTS 2016/17

The Assistant Director (Chief Executives Office) submitted **Document “N”** which summarised the number of complaints and investigations undertaken by the Ombudsman for the year ending 31 March 2017 and compared Bradford’s performance against that of other local authorities.

It was reported that the LGO’s (Local Government Ombudsman) review suggested that overall the numbers of complaints were increasing and Councils had less resource available to manage them. However, the overall number of complaints considered by the LGO for Bradford had been similar across the last three years and of those where the LGO carried out a detailed investigation, the number which resulted in a complaint being upheld was also the same.

Members were informed that the Review of Local Government Complaints 2016/17 identified that the LGO received a total of 120 new complaints and enquiries about Bradford between 1 April 2016 and 31 March 2017 compared to 113 in the previous year. A breakdown across Services was detailed at paragraph 3.2. of the report.

It was reported that during the period in question 23 complaints (28 in 2015/16) were subject to a detailed investigation carried out by the LGO. 11 of those complaints were not upheld with 12 being upheld i.e. 10% of the total complaints received by the LGO were upheld compared to 10.6% in 2015/16. A breakdown across service area of those subject to a formal investigation was detailed at 3.3 of the report.

Members were informed that in terms of percentage of upheld cases against the overall number of complaints the LGO received, again Bradford (10%) compared favourably with the national comparator (13.74%), was ranked the highest against the West Yorkshire comparators which averaged at 16.54% and 3rd best in the Yorkshire and Humber region which averaged 13.58%.

It was reported that in four of the twelve cases where the LGO undertook a formal investigation and upheld the complaint, the LGO recommended compensation and other payments to complainants totalling £2,000, the cost of which was borne by Service Departments from within the base budget.

Members asked whether the nature of complaints had changed over the years and raised concerns at the number of complaints upheld in 2016/17 in Adult Social Care compared to the number of complaints received in this service area.

In response to Members questions it was reported that the types of complaints received were similar to previous years; bulk of complaints came from 3 areas, Children’s Services, Adult Social Care and Planning; officers tried to resolve all complaints at the earliest opportunity. The Strategic Director for Health and Wellbeing was aware of the upheld complaints in 2016/17.

Resolved-



- (1) That the Committee takes assurance from the result of the Local Government and Social Care Ombudsman's Annual Review of Local Government Complaints 2016/17, that the Authorities complaints process is overall satisfactory.
- (2) That the Committee expresses concern at the number of complaints upheld by the Local Government and Social Care Ombudsman in Adult Social Care and asks the Health and Social Care Overview and Scrutiny Committee to examine the reason why so many complaints were upheld in 2016/17 compared to the number of complaints received in this service area.

Action: Strategic Director Health and Wellbeing/Overview and Scrutiny Lead Officer

25. MINUTES OF WEST YORKSHIRE PENSION FUND (WYPF) JOINT ADVISORY GROUP HELD ON 27 JULY 2017

The Council's Financial Regulations requires the minutes of meeting of the WYPF Joint Advisory Group be submitted to this committee.

In accordance with this requirement, the Director of West Yorkshire Pension Fund submitted **Document "O"** which reported on the minutes of the meeting of the WYPF Joint Advisory Group held on 27 July 2017.

There was a short discussion on the decision by First West Yorkshire to transfer their pension arrangements to Greater Manchester Pension Fund and their preference for cash.

A reference to Fire Service Key Performance Indicators relating to enquiries from spouses was discussed.

Resolved –

That the minutes of the West Yorkshire Pension Fund Joint Advisory Group held on 27 July 2017 were considered.

26. EXCLUSION OF THE PUBLIC

Resolved –



That the public be excluded from the meeting during the consideration of the items relating to minutes of the West Yorkshire Pension Fund Investment Advisory Panel meeting held on 27 July 2017 because the information to be considered is exempt information within paragraph 3 (Financial or Business Affairs) of Schedule 12A of the Local Government Act 1972. It is also considered that it is in the public interest to exclude public access to this item.

27. MINUTES OF WEST YORKSHIRE PENSION FUND (WYPF) INVESTMENT ADVISORY PANEL HELD ON 27 JULY 2017

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

In accordance with this requirement, the Director of West Yorkshire Pension Fund submitted **Not for Publication Document "P"** which reported on the minutes of the meeting of the WYPF Investment Advisory Panel held on 27 July 2017.

Resolved –

That the minutes of the West Yorkshire Pension Fund Investment Advisory Panel held on 27 July 2017 were considered.

28. ANNUAL TREASURY MANAGEMENT REPORT 2016/17

This Council was required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2016/17.

The Strategic Director, Corporate Services submitted **Document "Q"** which reported on the Council's Treasury Management activities for the year ending 31 March 2017.

In response to a Members question it was reported that the difference in figures relating to Capital Financing Requirement at paragraph 2.4 was due to slippage in capital programmes.

There was a short discussion on the benefits of budgeting for capital finance requirements being higher than what was actually spent.



Members acknowledged that borrowing against loans maturing in March 2017 at lower interest rates produced a saving of £1.65 million and asked whether further savings could be made from transferring current loans to lower interest rates.

In response it was reported that rescheduling debt would not be financially viable as a premium would have to be paid and the authority would not receive the same interest rate as a debt that had matured.

Resolved-

That the report be revised to include a suggestion made at the meeting (sentence at paragraph 2.6 explaining why rescheduling debt would not be financially viable) and referred to Council for adoption.

Action: Strategic Director, Corporate Services

29. TREASURY MANAGEMENT MID YEAR REVIEW UP TO 30 SEPTEMBER 2017

The Council was required to operate a balanced budget, which broadly meant that cash raised during the year would meet cash expenditure. Part of the treasury management operation was to ensure that this cash flow was adequately planned, with cash being available when it was needed. Surplus monies were invested in low risk counterparties, providing adequate liquidity initially before considering investment return.

The Strategic Director, Corporate Services submitted **Document “R”** which showed the Council’s Treasury Mid Year Review up to 30 September 2017.

It was reported that another piece of regulation had been issued by CIPFA in relation to accounting regulations which needed to be included in the report that was submitted to Council.

Resolved-

That the changes to the Treasury policy set out in section 2.6.2 of Document “R” be noted and the revised report which includes further information on the new regulation on the CIPFA Code out for consultation be referred to Council for adoption.

Action: Strategic Director, Corporate Services

30. INTERNAL AUDIT PLAN 2017/18 - MONITORING REPORT AS AT 30 SEPTEMBER 2017



The Strategic Director, Corporate Services submitted **Document “S”** which monitored the progress made by Internal Audit against the Internal Audit Plan for 2017/18 as at 30 September 2017.

The purpose of the report was to bring to the attention of members of the Governance and Audit Committee (G&AC) any significant issues arising from the audit work undertaken to date and to inform them about the progress made up to 30 September 2017, against the Internal Audit Plan, which was approved by the Committee on 25 April 2017.

Members expressed disappointment at Wakefield Council’s decision to cease sharing Internal Audit Services including the work that was being completed in relation to Counter Fraud.

Strong concerns were expressed on the outstanding completion of internal audit recommendations (section 3.4.2 of the report) relating to Children’s Services and Health and Wellbeing.

A short discussion was held on the status of Hanson School and its financial situation.

Resolved-

That the Committee:

- (1) Takes assurance from the results to date that show that the control environment of the authority is overall satisfactory.**
 - (2) Endorse the anticipated coverage and changes of Internal Audit work during the year.**
 - (3) Requires Internal Audit to monitor the control environment and continues to assess areas of control weakness and the ability of management to deliver improvements to the control environment when required.**
 - (4) Requires Internal Audit to monitor its resourcing levels to ensure that they are sufficient and appropriate to support an effective Internal Audit function.**
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- (5) That the Strategic Director, Corporate Services reports the concerns highlighted by this Committee in relation to the completion of Internal**



Audit Recommendations relating to Children’s Services and Health and Wellbeing to the Corporate Management Team and that an update on the issue be provided to the Committee at its meeting in January 2018.

Action: Strategic Director, Corporate Services

31. CODE OF CORPORATE GOVERNANCE

Corporate Governance comprised the systems and processes, cultures and values by which the Council was directed and controlled and through which it engages with and leads the community.

The Strategic Director, Corporate Services submitted **Document “T”** which reported on the Code of Corporate Governance that set out how the Council would meet and demonstrate its commitment to good Corporate Governance.

It was confirmed that the Code contained all the information as the previous code apart from the revised wording and how it linked with the Nolan principles.

Resolved-

- (1) That the amended and updated Code of Corporate Governance be approved and adopted by Council.**
- (2) That it be noted that the amended code will be used to help test the effectiveness of the Council’s Governance Arrangements in order to inform the production of the Annual Governance Statement.**

Action: Strategic Director, Corporate Services

Chair

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

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

