

The **AUDIT AND STANDARDS COMMITTEE** met at **WARWICK** on the **24th February 2008**.

**Present:** -

**Independent Members**

John Bridgeman CBE (Chair)  
Rob Jeanes  
Bob Meacham OBE  
Mark Magowan

**County Councillors**

Sarah Boad  
Les Caborn  
Mick Jones  
Tim Naylor  
Bob Stevens  
John Vereker CBE

**Officers**

David Carter Strategic Director Performance and Development  
David Clarke, Strategic Director Resources  
Dharmista Harkisan-Hall, Children's Partnership Manager  
Greta Needham, Head of Law and Governance  
Jane Pollard, Corporate Legal Services Manager.  
Garry Rollason, Audit and Risk Manager  
John Wright, Committee Manager

**Also present:**

David Rigg and Steve Welland, Audit Commission.

**1. General**

**(1) Apologies for absence**

No apologies for absence were received

**(2) Members' Disclosures of Personal and Prejudicial Interests**

Councillor Boad declared a personal interest in agenda item 7 "Contract Standing Orders for Schools" as she was a Governor at North Lean School and Lillington Nursery School.

Councillor Stevens declared a personal interest in agenda item 7 "Contract Standing Orders for Schools" as he was the Chair of Governors at Southam College.

Councillor Vereker declared a personal interest in any part of agenda item 14 "Internal Audit Report" relating to the Atherstone on Stour Fire as he was a member of the Police Authority.

**(3) Minutes of the Audit and Standards Committee meeting held on 18<sup>th</sup> November 2008.**

**Resolved** that the minutes of the meeting held on 18<sup>th</sup> November 2008 be approved and signed by the Chair as a correct record subject to the references in Minute 11 “Internal Audit Report for the period 1 April 2008 to 30 September 2008” to a “Project Management Approach Officer” being amended to read “Project Management Officer”.

**(4) Matters Arising.**

**Minute 11 “Internal Audit Report for the period 1 April 2008 to 30 September 2008”**

Members were informed that the Project Management Officer post had been deleted as part of the budget.

**2. Standards Board for England – Bulletin No 41**

The Committee considered the report of the Strategic Director of Performance and Development on the content of the Standards Board Bulletin No 41.

Members were informed that the Adjudication Panel now had the same level of sanctions available to it as were available to Standards Committees.

Members noted that six councils had been short listed for a Local Government Chronicle award and suggested that as those authorities had been picked out as examples of best practice officers should investigate what lessons, if any could be learnt from those Councils to improve this Council’s performance.

**Resolved** that the content of the Standards Board Bulletin No 41 be noted.

**3. Mediation - Advice For Elected members**

The Committee considered the report of the Strategic Director Performance and Development on a guidance note which had been prepared to advise members who were engaged as a mediator in a dispute between constituents.

Members considered the report in detail and made the following points

- When asked to act as a mediator Councillors should seek advice from the Council’s legal team
- Mediation may not be an appropriate role for members. There were a number of professional mediation services available and constituents should be referred to them rather than Councillors risking getting involved in situations they were not equipped to deal with.
- The guidance note should include a warning for Councillors about becoming involved in mediation
- Councillors need to be able to demonstrate their independence
- In some cases local councillors play an important part in resolving local disputes but it is important for councillors to be aware of the scale of the issues they become involved in and when to step away

- Guidance on dealing with local disputes should be included in the induction process for new councillors.

In light of the comments made by members the Strategic Director undertook to review the guidance note and to decide whether it's contents should be provided to members as either formal or informal advice and how the issue of mediation could be included in the induction process for new councillors.

**Resolved** that the Strategic Director Performance and Development be requested to submit a report to the next meeting of the Committee on the provision of guidance to members on acting as a mediator in disputes between constituents.

#### 4. Annual Report of the Committee

The Committee considered the report of the Strategic Director Performance and Development on the annual report of the Committee.

Members made a number of comments on the contents of the report and suggested that

- The report should say that the committee has examined many areas of work in detail and the Council has stood up well to examination
- The biographies of Councillors should be removed
- There should be a separation of audit and standards functions
- More detail should be included on the audit function including coverage of improvements in service and identification of fraud resulting from audits

**Resolved** that

- (1) A revised draft of the annual report be circulated to all members of the committee for their comments; and
- (2) The final version of the annual report be submitted to the next meeting of the Committee.

## AUDIT ITEMS

#### 5. Triennial Review of Internal Audit

The Committee considered the report of the Strategic Director Performance and Development on the outcome of the recent Audit Commission review of Internal Audit.

Members were informed that the outcome of the review was excellent and concluded that the service fully complied with the Cipfa Code and provided good service to the Council. Warwickshire was the only Council in the region to have achieved such a high rating. The Audit Commission stated that there were no areas for improvement.

The Audit Commission advised the Committee on the amount of time they spent each year carrying out audits of the Council and the cost of doing so.

**Resolved** that

- (1) The report be noted; and

- (2) The thanks and appreciation of the Committee for the work done by the Internal Audit team namely Jennifer Adams, Rachel Booton, Marie Chell, Claire Davies, Richard Hill, Graham Hobbs, Lynn Joyce, Chris Kenny, Tania Kiff, Dennis Ovard, Neil Ovard, Garry Rollason, Andrew Wood and Simone Wray, be recorded.

## **6. Contract Standing Orders**

The Committee considered the report of the Strategic Director of Performance and Development on the findings of the 2008/9 contract standing orders compliance audit.

The audit involved meeting directorate contract co-ordinators to assess the arrangements they have to ensure compliance with Contract Standing Orders and to check that action had been taken to address the findings of the previous audit. Following this a sample of contracts let were reviewed against key requirements of Contract Standing Orders to assess compliance.

The audit had not identified any major areas of concern but had identified issues for each directorate to address. Each directorate would be asked to produce an action plan to demonstrate how they would remedy the issues that had been identified and progress against the action plan targets would be monitored.

**Resolved** that

- (1) The report be noted; and
- (2) If there are significant problems in any directorate in meeting their action plan targets a report be submitted to a future meeting of the Committee.

## **7. Contract Standing Orders for Schools**

The Committee considered the report of the Strategic Director of Performance and Development on key developments since the launch of the New Contract Standing Orders for Schools in September 2008.

A series of training events for all staff involved in contract standing orders for schools would be taking place in March 2009. The contracting staff, head teachers and governors of all schools had been invited to attend and there had been a good response to date.

Internal audit would be carrying out a series of random audits at schools to ensure that the Contract Standing Orders were being complied with.

The DCSF had recruited National Schools Procurement Officers across the region to support schools to improve their procurement of goods/services for at least 2 to 3 years and the dedicated officer for Warwickshire was already working in the Children, Young People and Families Directorate.

**Resolved** that the.

- (1) The report be noted; and

- (2) A report be submitted to a future meeting of the committee on the outcome of the audits of schools compliance with the new Contract Standing Orders for schools.

## **8. 2007/08 Use of Resources Assessment**

The Committee considered the report of the Strategic Director Resources on the annual Use of Resources assessment which was carried out by the Council's internal auditors, as part of the CPA National framework. The assessment evaluated how well the Council managed and used its resources. For 2007/08 the Council was assessed as being Level 4, the highest level.

Members welcomed the report and the fact that the Council had received such a high assessment. The Committee requested that reference to the assessment should be included in the Committee's annual report.

The Committee was informed the assessment criteria for the next year would be significantly different. The new assessment will cover a much wide range subjects. Members were concerned that the change of criteria could affect the rating awarded to the Council and therefore may have a negative effect on the public's perception of the effectiveness of the Council. Members requested that a press release be issued on behalf of the Committee explaining the new assessment criteria.

### **Resolved that**

- (1) The report be noted;
- (2) Reference to the assessment should included in the Committee's annual report; and
- (3) A press release be issued by the Chair on behalf of the Committee explaining the outcome of this year's assessment and the new assessment criteria for next year.

## **9. Data Quality Audit**

The Committee considered the report of the Strategic Director of Performance and Development on a Data Quality Audit Summary report and action plan, resulting from an audit carried out by the Audit Commission in September - October 2008.

The Council had been assessed at level two which was the same level as many other Councils. Improvements had been made to both systems and process but performance had not improved enough to be assessed at level 3. The Level 2 assessment was felt to be fair. As a result of the assessment the auditor had produced an action plan outlining five recommendations for the council to address. Members were informed that it was proposed to raise accountability to Head of service level in order to strengthen the response to the action plan. A report would be submitted to Cabinet in March

### **Resolved that**

- (1) The report be noted; and
- (2) The response to the recommendations made by the Audit Commission be endorsed.

**10. Audit and Standards Work Programme**

The Committee considered the report of the Strategic Director of Performance and Development on the work programme for the Committee.

**Resolved** that the report be noted.

**11. Any Other Business**

None.

**12. Dates of Future meetings**

28<sup>th</sup> May 2009

8 June 2009

**13. Report Containing Confidential or Exempt Information**

**Resolved** that members of the public be excluded from the meeting for item 14 and below on the grounds that their presence would involve the disclosure of confidential or exempt information as defined in paragraphs 1,2 and 7 of the Local Government Act 1972.

**14. Internal Audit Report.**

The Committee considered the report of the Strategic Director of Performance and Development which summarised on the results of internal audit work during the period 1 October to 31 December 2008.

**Resolved** that

- (1) the report be noted;
- (2) The Strategic Director Performance and Development be requested to submit a report to the next meeting of the committee on whether it would be possible to of seek compensation from Network Rail for the delays in the completion on the Rugby Western Relief Road; and
- (3) Members of the Committee be provided a briefing note on the administration of passenger transport consultation exercises including an assurance that the long term absence of the relevant officer was being managed.

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Chair of Committee

The Committee rose at 12:40 p.m.