



Minutes of a meeting of the Corporate Governance Committee held at County Hall, Glenfield on Friday, 25 November 2016.

PRESENT

Mr. A. M. Kershaw CC (in the Chair)

Mr. G. A. Boulter CC  
Mr. G. A. Hart CC  
Mr. Max Hunt CC

Mr. K. W. P. Lynch CC  
Mr. T. J. Richardson CC  
Mr. R. J. Shepherd CC

132. Minutes of the previous meeting.

The minutes of the meeting held on 23 September 2016 were taken as read, confirmed and signed.

133. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

134. Questions asked by members.

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

135. Urgent items.

There were no urgent items for consideration.

136. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

Mr Richardson CC declared a personal interest in item 11: Quarterly Treasury Management Report as he was in receipt of a pension from Lloyds Bank.

No other declarations were made.

137. Annual Audit Letter

The Committee considered a report of the Director of Corporate Resources which presented the Annual Audit Letter for 2015/16 for approval. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

The Chairman welcomed John Cornett of KPMG, the County Council's external auditors for 2014/15, to the meeting.

RESOLVED:

That the Annual Audit Letter be approved and distributed to all Members of the Council.

138. KPMG Technical Update.

The Committee considered a report of the Director of Corporate Resources which presented two documents produced by KPMG for information entitled Local Government Technical Update and Reimagine Local Government. A copy of the report marked 'Agenda Item 7' is filed with these minutes.

Members noted that the relevant departmental heads at the County Council had been made aware of these documents.

RESOLVED:

That the report be noted.

139. Risk Management Update.

The Committee considered a report of the Director of Corporate Resources, the purpose of which was to provide an overview of key risk areas and the measures being taken to address them. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

The Committee also received a presentation on the risks associated with the significant pressures on the children's social care placement budget which funds the care of vulnerable children, and Unaccompanied Asylum Seeking Children, both of which are included in the Corporate Strategic Risk Register. A copy of the slides forming the presentation is filed with these minutes.

Presentation

Arising from the presentation the following points were noted:

- (i) With regard to Unaccompanied Asylum Seeking Children it was clarified that Leicestershire supports 24 children in its care, and a further 27 care leavers. There was a nominal nationally set target of 94 Unaccompanied Asylum Seeking Children in care per authority though there was no timescale for when this target would be reached and it may not in fact ever be reached. The number 94 set out the maximum capacity.
- (ii) Clarification was given regarding Risk 1.6 on page 98 of the agenda pack which referred to consideration of using a 'DPS model' for outsourcing SEN placements. This referred to a direct purchasing system which processed online placements for children already identified and enabled need to be met more quickly.
- (iii) As more schools had become academies the relationship between the County Council and the schools had changed which meant that the Council's role was more of exerting influence and providing system wide leadership.
- (iv) The main reason people chose to Foster through the County Council rather than an Independent Fostering Agency was the amount of support provided to

Fosterers by the County Council particularly with regard to challenging cases. The rates paid to Fosterers were not such a significant factor.

### Risk Register

- (v) The corporate framework for risk management was reviewed and revised annually to ensure that high ranking risks which were identified and placed on departmental risk registers were escalated onto the Corporate Risk Register. In response to a question regarding whether Members could play a role in identifying which risks should be on the register the Director of Corporate Resources agreed to give further consideration to this. It was noted that departmental risk registers were covered in meetings between Cabinet Lead Members and the relevant Director. Departmental risk registers were previously available for viewing on the County Council intranet and the Director of Corporate Resources agreed to check whether this was still the case.
- (vi) Members queried why the risk register did not make reference to the transition of service users to the new Help to Live at Home Domiciliary Care Service which went live on Monday 7 November across Leicestershire. It was noted that nine new providers had been appointed to deliver domiciliary care services following a procurement process which concluded in July 2016. The Director of Corporate Resources confirmed the risks were recorded and explained that whilst the project was in development it was actively considered to be a project delivery risk which placed it on the Transformation Unit risk register and once the project went live the risk became an operational one under Adults and Communities. Lessons had been learned from the way this risk was dealt with and in future there would be more robust linkage between the Transformation Unit Risk Register and departmental risk registers.
- (vii) In answer to a question on the emerging risks of the Combined Authority and potential devolution deals it was confirmed that the risks related to the possible lost opportunity should a devolution deal not be agreed or if the government did not devolve the level of powers that Leicestershire asked for. There were risks associated with the extra responsibility that came with devolved powers and ensuring the governance arrangements were appropriate.
- (viii) In answer to a question about concerns that the Better Care Fund was not becoming as integrated as intended it was reported that the Director of Adults and Communities had stated that the Better Care Fund in Leicestershire was still on track and had a stronger model than in other areas of the country. It was noted that nationally there were queries about how the Better Care Fund linked in with Sustainability and Transformation Plans and to what extent one supported the other. Nationally there was no collective view on this. However, the Director of Public Health stated that the Sustainability and Transformation Plan for Leicester and Leicestershire had been produced in line with the Better Care Fund scheme and the same officers had been involved with both projects.
- (ix) With regard to Counter Fraud Activity and the Blue Badge amnesty which enabled individuals to hand in without question blue badges being held (and perhaps used) illegally it was noted that this initiative was scheduled to take place in 2017. Members asked for a report to be brought to the Committee at a future date on the success of this scheme.

- (x) With regard to Counter Fraud Activity and recovering losses from an individual's pension fund, the Director of Corporate Resources confirmed that the powers had previously been available to the County Council but this was the first time the County Council had used them.

RESOLVED:

- a) That the current status of the strategic risks facing the County Council and the updated Corporate Risk Register be approved;
- b) That the update on the following areas be noted:
  - (i) the emerging risks around the Combined Authority and devolution proposals;
  - (ii) the Better Care Fund;
  - (iii) counter fraud initiatives that have taken place during the last quarter;
  - (iv) Business Continuity.
- c) That officers be requested to provide a presentation on the risks associated with information security and data breaches at the next meeting;
- d) That officers be requested to provide an update on the Blue Badge amnesty at a future meeting of the Committee.

140. Clinical Governance Update.

The Committee considered a report of the Director of Public Health, which provided an update on changes to the process of assuring clinical governance and provided a summary of Clinical Governance issues in the previous twelve months. A copy of the report, marked 'Agenda Item 9' is filed with these minutes.

In response to a question the Director of Public Health reassured Members that smoking cessation had not reduced in importance at any point; the services were just being provided in a different way. The new stop smoking service, Quit Ready Leicestershire, would begin on Tuesday 3 January 2017 which involved the introduction of a telephone-based quit line, supported by a range of online resources. The service would move away from face to face support instead offering support through text, phone and web chat. A further question was asked by a Member in relation to what the County Council could do to lead the way in promoting smoking cessation particularly with regard to smoking on Council premises. The Director of Public Health stated that conversations were had on this subject at the County Council Employment Committee but a balance had to be struck between promoting healthy lifestyles and allowing employees to make their own choices.

RESOLVED:

That the contents of the report be noted.

141. Proposed Changes to the Standard Financial Instructions.

The Committee considered a report of the Director of Corporate Resources which recommended revisions to the Standard Financial Instructions. A copy of the report marked 'Agenda Item 10', is filed with these minutes along with the Appendix which contains the proposed amendments.

RESOLVED:

That the proposed amendments to the Standard Financial Instructions as set out in the Appendix to the report be approved.

142. Quarterly Treasury Management Update

The Committee considered a report of the Director of Corporate Resources which set out the actions taken in respect of treasury management in the quarter ended 30 September 2016.

RESOLVED:

- (a) That the content of the report be noted.
- (b) That officers be asked to include in the Treasury Management report to the next Committee meeting information on the instability of the European banking system and the potential impact on the Treasury Management of the County Council.

143. Covert Surveillance and RIPA 2000 - Annual report.

The Committee considered a report of the Director of Law and Governance which provided an update on the Authority's use of the Regulation of Investigatory Powers Act 2000 and the outcome of an inspection by the Office of Surveillance Commissioners. The report also presented a revised Policy Statement relating to RIPA and asked the Committee to recommend it to Cabinet for approval. A copy of the report marked 'Agenda Item 12' is filed with these minutes.

RESOLVED:

- a) That the Authority's use of the Regulation of Investigatory Powers Act 2000 for the period from 1 October 2015 to 30 September 2016 be noted;
- b) That the Cabinet be recommended to agree to amend the County Council's Policy Statement on the use of RIPA powers to reflect the recommendations of the Office of Surveillance Commissioners;
- c) That the Committee agrees to continue to receive an annual report on the use of RIPA powers and to report to the Cabinet on an annual basis on both the use of RIPA powers and whether the Policy remains fit for purpose.

144. Internal Audit Service Progress Report.

The Committee considered a report of the Director of Corporate Resources, the purpose of which was to give a summary of the Internal Audit Service work including progress with implementing high importance recommendations. A copy of the report is filed with these minutes marked 'Agenda Item 13'.

The Director of Corporate Resources clarified that whilst Members were able to request electronic copies of any completed (and signed off) internal audit reports relating to County Council audits, they would not be able to request reports of 'investigation' type audits.

RESOLVED:

That the contents of the report be noted.

145. Revisions to the Public Sector Internal Audit Standards and Internal Audit Charter.

The Committee considered a report of the Director of Corporate Resources the purpose of which was to inform the Committee of additions to the Public Sector Internal Audit Standards and seek approval to amend the revised Internal Audit Charter in line with those changes to the Standards. A copy of the report, marked 'Agenda Item 14', is filed with these minutes.

RESOLVED:

a) That the additions to the Public Sector Internal Audit Standards be noted;

b) That the revised Internal Audit Charter be approved;

146. Date of next meeting.

RESOLVED:

That the next meeting of the Committee be held on 17 February 2017 at 10:00am.

10.00 - 11.35 am  
25 November 2016

CHAIRMAN