

CORPORATE GOVERNANCE COMMITTEE

Minutes of a meeting of the Corporate Governance Committee held in Conference Room 1a, County Hall, Ruthin on Monday, 28 September 2015 at 9.30 am.

PRESENT

Councillors Ann Davies, Stuart Davies, Peter Duffy, Jason McLellan (Chair), Barry Mellor (Vice-Chair) and Mr Paul Whitham (Lay Member).

Councillors Hugh Evans, Hugh Carson Irving and Julian Thompson-Hill attended as observers.

ALSO PRESENT

Corporate Director: Communities (NS), Head of Legal, HR and Democratic Services (GW), Head of Internal Audit (IB), Chief Finance Officer (RW), Interim Head of Finance and Assets (JG), Finance Assurance Manager (SG), Principal Manager- Business Support (TW), Senior Auditor (LH), Programme Manager Procurement (TB), Corporate Complaints Officer (CO), Wales Audit Office Representatives (GB, AV and GE) and Committee Administrator (CIW).

1 APOLOGIES

Apologies for absence were received from Councillors Alice Jones.

2 DECLARATION OF INTERESTS

No Members declared any personal or prejudicial interests in any business identified to be considered at the meeting.

3 URGENT MATTERS

No items were raised which in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

4 MINUTES

The Minutes of a meeting of the Corporate Governance Committee held on the 27th July, 2015.

Matters arising:-

10. WAO Report – Financial Resilience of Councils in Wales:- In response to a question from Mr P. Whitham, it was explained that the local report would be presented to the January, 2016 meeting of the Corporate Governance Committee.

RESOLVED – *that, subject to the above, the minutes be received and approved as a correct record.*

5 CORPORATE SAFEGUARDING

A report by the Head of Internal Audit (HIA) had been circulated previously.

The HIA explained that the report provided details of the recent Internal Audit Report (IAR) on Corporate Safeguarding which had received a 'Low' assurance rating. The key message arising from the Internal Audit Report (IAR), Appendix 1, had been that while the Council had measures in place to manage safeguarding, these were not robust and had not been embedded across all the Council's functions.

There was a necessity for Safeguarding to be perceived as a 'corporate' area, rather than just an area for Social Services or Education. There was therefore a need for the Council to raise awareness through relaunching the Corporate Safeguarding Policy, and ensuring that its Elected Members and officers were sufficiently trained.

The IAR included an Action Plan which raised 12 areas for improvement. The Corporate Safeguarding Panel (CSP) had assumed ownership of the Action Plan through the Corporate Director: Communities, and actions, responsibilities and timescales had been agreed to address all of the issues.

The Chair expressed concern that the measures in place to manage safeguarding had not been embedded corporately across all of the Council's functions.

In response to a question from Mr P. Whitham, it was felt that as risks had been identified at a corporate level, and with a view to creating corporate awareness, there should be an entry in the Corporate Risk Register in respect of this issue. The Corporate Director: Communities (CDC) referred to the risk around safeguarding and the understanding of the differential between safeguarding and statutory duties relating to the protection of vulnerable adults and children. It was explained that the issue of Corporate Safeguarding did not relate to the statutory duty governing Social Services and Education but related to a general risk. She emphasised that the Committee would need to decide whether the broad reaching responsibilities of Safeguarding, and the controls and mitigations which make reference to the CSP, Action Plan and responsibilities of improving awareness and ownership, had been contained within the action.

The HIA confirmed that since the undertaking of the audit, and implementation of the Action Plan, the Corporate Risk Register had been amended and would be subject to the respective actions.

Councillor H.H. Evans, Lead Member for Corporate Safeguarding, referred to the importance of keeping separate the Statutory Duties relating to Social Services and Education, and emphasised the need to assume responsibility corporately for safeguarding even though this aspect was not perceived as a Statutory Responsibility. It was explained that he had assumed responsibility and ownership for Corporate Safeguarding, and that some of the issues of concern highlighted by Internal Audit had already been addressed. The Committee were provided with an

assurance that the profile of Corporate Safeguarding would be elevated, and Councillor Evans confirmed that he would be leading on the amalgamation of Children's Social Care Services and Education. He also suggested that it would be beneficial if he was included as a member of the Safeguarding Panel, with a view to monitoring the response of the Authority in taking ownership of Corporate Safeguarding and reacting to expectations.

During the ensuing discussion the following issues were highlighted and responses provided by officers:-

- the management of Safeguarding within each Department, and the adoption of best practice and a uniform approach within the Authority.
- the introduction of an audit by the Corporate Safeguarding Panel with a view to creating consistency within respective Departments.
- reference was made to the views expressed in the WAO Review of Corporate Safeguarding arrangements in Welsh Councils, and the recognition of the journey being undertaken. The CDC agreed that a link to the Wales Audit Office Review of Corporate Safeguarding Arrangements in Welsh Councils could be circulated to Members of the Committee.
- details of the provision of Safeguarding training for both Elected Members and officers.
- an outline of the impact of the changes experienced, and the robust nature of the Statutory services provided by the Authority.

The WAO Representative (GB) referred to the National Report and confirmed that the Authorities policies were in place and fit for purpose. He also made reference to Action Plan and the need and importance of progressing its implementation.

During the ensuing discussion Members agreed that a progress report be included in the Committee's forward work programme for January, 2016, with a view to assessing the impact of the implementation of the Action Plan.

In response to a question from the Chair, the CDC made reference to the mandatory training programme, and the training provision scheduled for the next three Council Briefing sessions. The areas to be covered to include:-

- An introduction to Safeguarding and Protection.
- Child sexual exploitation.
- Lessons learned from other Authorities.

It was explained that the following the final briefing session a Task and Finish Group would be established of Members and officers to examine lessons learned from other local authorities where there had been safeguarding issues and the various self assessment / baseline toolkits available. This information could then be utilised to undertake a self-assessment against the respective findings. The Chair emphasised the importance of learning lessons from the experiences of other Authorities.

RESOLVED – that Corporate Governance Committee:-

- (a) receives the Internal Audit report.
 - (b) notes the assurance that the Action Plan within the report is being implemented effectively and within the agreed timescales.
 - (c) requests that a link to the WAO Review of Corporate Safeguarding Arrangements in Welsh Councils be circulated to Members of the Committee, and
 - (d) agrees that a progress report be included in the Committee's forward work programme for January, 2016, with a view to assessing the impact of the implementation of the Action Plan.
- (NS, IB to Action)**

6 PROCUREMENT TRANSFORMATION PROGRAMME

A report by the Interim Head of Finance and Assets (IHFO) had been circulated previously.

Councillor J. Thompson-Hill introduced the report and explained that in May, 2015 the Interim Head of Finance, Assets and Housing had presented a verbal update on procurement and outlined that to address these, and other short-comings identified in the procurement activity, a wider programme of transformation would be required.

The report outlined the structure and content of the transformation programme to provide reassurance that issues would be addressed and new structures and processes put in place to improve performance in relation to procurement. It was explained that the main driver of the Procurement Transformation Programme would be the development and delivery of the revised Procurement Strategy.

With the aid of a Powerpoint presentation the Programme Manager Procurement (PMP) provided Members with background details pertaining to:-

- the importance of procurement.
- seeing the big picture.
- identification of external and internal challenges.
- reasons for the need for change.
- transforming Procurement and the Transformation of:-
 - The Procurement Strategy.
 - Effective use of Technology.
 - Local Supplier Development.
 - Up-skilled workforce.
 - Headlines from MMT survey.
 - Organisational Structure.
- Priorities for Action – med-term.
- NPS: Headlines.

As requested at by the Committee in May the IHFA provided information and statistics on the National Procurement Service (NPS) established by WG, and details of the contracts procured through the NPS.

The IHFA explained that issues and short-comings previously identified would be addressed and rectified through the delivery of the Procurement Transformation Programme. New, more robust arrangements had been put in place to ensure the effective delivery of the Procurement Transformation Programme. This incorporated the appointment of a dedicated Programme Manager to direct the transformational change required in the way the council procures goods, services and works. The approach was expected to have the key outcomes of:-

- saving money through more effective and efficient procurement;
- delivering more and better community benefits through the procurement process;
- providing more and better support to local businesses to improve the quality of bids they submit and improve their chances of winning council contracts.

The programme would be organised into 5 distinct projects which would include a Strategy Document, Use of Technology, Local Supplier Development, Upskilling the workforce and Organisational Structure. It would be directed by a high level transformation board who would monitor and direct the delivery of the programme, and the key roles and membership had been identified. More comprehensive details of the programme and governance structures had been incorporated in Appendix 1, and key milestones had been highlighted.

Confirmation was provided that the knowledge of procurement within the Authority had not previously met expectations, and Councillor P.C. Duffy expressed the view that previous procurement activities and policies could have resulted in significant financial implications on the Authority.

During the ensuing discussion the following salient points were raised and responses and information provided:-

- Details were provided by the WAO Representatives in respect of the national study on procurement being undertaken by the WAO.
- The importance of accurate and transparent lines of reporting.
- The need and significance of involving Economic Development the process.
- An outline of the need to include small businesses in the process and the methods to be adopted to achieve this requirement. The IHFA referred to the registration of categories incorporated in the new system, which would assist with the local engagement of small businesses.
- The duty of the Council to achieve best value, which did not necessarily coincide with best price.
- An increase in the need for awareness of the procurement process, and the provision of training for officers in respect of the contract procedure rules.

Mr P. Whitham referred to statistics and the impact of timescales pertaining to staff numbers and the provision of training, particular reference being made to the provision of training in relation to the revised CPRs. He also suggested that consideration might be afforded to the provision of informed training for Elected Members to providing an understanding and knowledge of the process. In response to a question from Mr Whitham, the PMP outlined the challenges relating

to the introduction of technology, and confirmed that consideration had been given to the provision of hard copies of back up documentation.

During the ensuing discussion the Chair confirmed his membership of the Transformation Board, and agreed to liaise with the HLHRDS regarding the inclusion of a future progress report on the Committee's forward work programme.

RESOLVED – *that, subject to the above, the Corporate Governance Committee:-*

- (a) receives the report and endorses the recommendations made, and*
- (b) agrees that the Chair and HLDS liaise regarding the inclusion of a future progress report on the Committee's forward work programme.*

(JG, TB, and GW to Action)

7 BUDGET PROCESS 2015/16

A report by the Chief Finance Officer (CFO), which provided an update on the process to deliver the revenue budget for 2015/16 and 2016/17, had been circulated previously.

Councillor J. Thompson-Hill, assisted by the CFO and Finance Assurance Manager (FAM), provided a detailed summary of the report which outlined the process to deliver the revenue budget for 2016/17, and the following salient points were highlighted:-

- The potential remaining budget gap of £730k based on the latest planning assumptions in the Medium Term Financial Plan.
- Some proposals included in Phase 5 did not yet have estimated values attached and were currently being developed.
- Member's proposals to be included in the Phase 5 proposals.
- The latest progress with the budget setting process having been detailed in a table included in the report
- The forecast budget gap for 2016/17 had been set at approximately £8.8m with proposals totalling £4m having been approved.
- No indication received of the settlement in respect of the Revenue Support Grant.
- The exact impact of the Summer Budget announcements on devolved administration budgets would not be clear until the publication of the UK Government Spending Review on the 25th November, which would determine the level of the Block Grant to Wales.
- Implications of the probable late announcement of the Draft Settlement had been outlined in the report, together with, the current timetable Appendix 1.
- All proposals were being assessed to determine the budget impact in 2016/17.
- The focus of assessments, as outlined in the report, had been to identify potential areas of saving for 2016/17 and 2017/18, and provide some assurance about the value for money. The analysis would feed into the next revision of the Medium Term Financial Plan which was currently being drafted.

- The latest budget process chart had been enclosed as Appendix 1 and a revised version enclosed as Appendix 2.
- A review of Council reserves and provisions would be completed during September or October.

In reply to a question from Councillor S.A. Davies, the Committee agreed that the issues raised relating to the pensions fund, and the approximate increase of 8%, should be referred to the Budget Workshop for discussion. The CFO reminded Members that this was subject to a statutory process and to a triannual evaluation. The HLHRDS provided details of the legal aspect and outlined the relevant framework.

During the ensuing discussion the following issue were raised and responses provided:-

- Details of the impact of the Capital Finance Budget was provided by the CFO, particular reference being made to the Corporate Plan, termination of the PFI contract and buy-out of the Housing Account subsidy system.
- Confirmation was provided by the CFO that a review of all reserves and provisions was currently being undertaken with a view to presenting a report to Cabinet, and an update report to the Budget Workshop, in November, 2015.
- An update on the progress and projected savings to be realised from the termination of the PFI contract was provided by the CFO. He confirmed that the projected savings identified would be delivered as previously indicated.

RESOLVED – *that Corporate Governance Committee receives and notes the contents of the report on the latest update.*
(RW to Action)

8 APPROVAL OF STATEMENT OF ACCOUNTS 2014/15

A report by the Chief Finance Officer (CFO) had been circulated previously.

Councillor J. Thompson-Hill and the CFO introduced the report. It was explained that the Council had a statutory duty to produce a Statement of Accounts (SA) which complied with approved accounting standards. The audited accounts had to be formally approved by Elected Members on behalf of the Council.

The Finance Assurance Manager (FAM) provided background detail pertaining to the process and confirmed that the financial statements for 2014/15 had been approved, subject to audit, by the CFO on the 25th June, 2015. The draft accounts had been presented to the Committee on the 23rd July, 2015 as agreed at its meeting in May.

The Accounts and Audit Regulations require that the Council formally approves the audited accounts, containing the external auditor's opinion, by the end of September.

The SA had been produced in compliance with the International Financial Reporting Standards (IFRS). The Chartered Institute of Public Finance and Accountancy (CIPFA) produced the IFRS based Code of Practice on Local Authority Accounting,

and the Council had produced the 2014/15 Accounts in compliance with the Code Accounting Standards. The Accounts included an unqualified audit opinion and audit certificate.

Details of the International Financial Reporting Standards had been included in the report. The Accounts would be made available for audit as required and had been open to public inspection. They had been audited by the WAO who had presented an overview of their findings and assessment of the process in the report to the Committee.

The audit process resulted in some technical adjustments and other corrections and amendments, and details had been presented in the Auditor's report.

The FAM provided a summary of SA and the following areas were highlighted:-

- Page 21 – Transfers to and from Reserves.
- Page 80 – Members Allowances.
- Page 83 - Explanatory Foreward.
- Page 84 - Final Revenue Outturn and the £1.3m underspend.
- Page 85 - Capital Summary.
- Pages 94, 95 – Movement of Revenue.
- Page 97 – Income and Expenditure Account.
- Page 99, 100 – Balance Sheet.
- Page 143 – Usable Reserves.
- Page -
- Page 155 – Reconciliation of Service Block Income and Expenditure and Work undertaken with Welsh Government.
- Page 160 – Members Allowances.
- Page 161, 164 – Officers' Remuneration and Exit Packages.

The WAO Representative (AV) referred to Appendix 2, "Audit of Financial Statements, Denbighshire County Council 2014/15", and invited Members attention to the Contents table on Page 239 of the report, which included some of the issues to be reported prior to their approval, particular reference was made to:-

- the Auditor General intention to issue an unqualified audit report on the Council's Financial Statements.
- the opinion that the accounting statements and related notes give a true and fair view of the financial position of Denbighshire County Council as at the 31st March 2015, and of its income and expenditure for the year then ended. That they had been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15.
- the Status of the Audit and details pertaining to areas of work which had been outstanding but had now been completed.
- details of the proposed Audit Report, as set out in Appendix 2.
- significant issues arising from the audit and the provision of assurance that the process had been open and transparent.
- the draft financial statements having been prepared to a good standard.

- confirmation that identified misstatements had all been adjusted and corrected.
- an expression of appreciation was extended to staff who had been cooperative and helpful.
- details of the four recommendations, particular reference being made to the valuation process of the Authority's fixed assets, and the amount of reserves and provisions.
- confirmation of the independence of the WAO Audit team.

The Chair expressed his appreciation for the work undertaken by the CFO and his officers, and the Wales Audit Office.

In response to a question from Mr P. Whitham, the WAO Representative provided details of possible future timescales in relation to the reference made to earlier closure of Local Authority accounts in future years.

RESOLVED – *that Corporate Governance Committee:-*

- (a) *the Statement of Accounts 2014/15, Appendix 1 to the report, be approved*
- (b) *the Chair and Chief Finance Officer sign the Accounts and the Letter of Representation.*

(RW, SG to Action)

9 ANNUAL TREASURY MANAGEMENT REPORT 2014/15 - UPDATE 2015/16

A report by the Chief Finance Officer (CFO), on Treasury Management (TM), had been circulated previously.

It was explained by the CFO that the Annual TM Report 2014/15, Appendix 1, was about the Council's investment and borrowing activity during 2014/15. It also provided details of the economic climate at that time and indicated how the Council complied with its Prudential Indicators. The TM Update Report, Appendix 2, provided details of the Council's TM activities during 2015/16.

The term 'treasury management' included the management of the Council's borrowing, investments and cash flow. Approximately £0.5bn passes through the Council's bank accounts every year. The Council's outstanding borrowing at 31st March, 2015 was £144.77m, at an average rate of 5.40%, and the Council held £28.6m in investments at an average rate of 0.62%.

It had been agreed by Council that the governance of TM be subjected to scrutiny by the Corporate Governance Committee. Part of the role being to receive an update on the TM activities twice a year and to review the Annual TM Report for 2014/15.

The TM team would provide reports and training to the Corporate Governance Committee in accordance with the timetable incorporated in the report. It was explained that TM was a complex area which took time to understand fully and regular updates were provided. It had therefore been deemed that the Corporate Governance Committee was more appropriate than Council to receive these

updates so that the required amount of time and commitment could be devoted to this area.

The Committee was required to have a certain level of understanding in this area and this was achieved through regular updates and training sessions.

The role of the Committee in the TM process included:-

- To understand the Prudential Indicators
- To understand the impact of borrowing on the revenue position
- To understand the wider drivers impacting on the Council's TM activities
- To ensure that the Council always acts in a prudent manner in relation to its TM activities

The purpose of the Annual TM Report had been incorporated in Appendix 1, and the TM update report, Appendix 2, provided details pertaining to:-

- External economic environment
- Risks
- Activity
- Controls
- Future Activity

TM was a vital part of the Council's work which involved looking after significant sums of cash. It required a sound strategy and appropriate controls to safeguard the Council's money, to ensure that reasonable returns on investments were achieved and that debt was effectively and prudently managed. The Council had adopted the revised CIPFA Code of Practice and it was a requirement of that Code for the Committee receive an update on the TM activities twice a year, and to review an Annual TM Report.

The CFO referred to the implications arising from the Banking Reform Act 2014, implemented in January, 2015, and explained that banks were no longer able to rely on government bail-outs if they got into difficulty. He also made reference to the Capital Financing Requirement and the PFI transaction pertaining to County Hall, Ruthin, and provided details of the projected savings to be achieved. Members agreed that an update report on the PFI transaction be presented to the November, 2015 meeting of the Committee.

Following further discussion,

RESOLVED – that Corporate Governance Committee:-

- (a) receives and notes the contents of the report.
- (b) notes the performance of the Council's Treasury Management function during 2014/15 and its compliance with the required Prudential Indicators as reported in the Annual TM Report 2014/15, Appendix 1.
- (c) notes the TM update report, Appendix 2, and
- (d) requests an update report on the PFI transaction be presented to its November, 2015 meeting.

(RW to Action)

10 YOUR VOICE ANNUAL REPORT

A report by the Principal Manager Business Support (PMBS), which provided an overview of the feedback received via Denbighshire's customer feedback policy "Your Voice" during the period the 1st April, 2014 to the 31st March, 2015, had been circulated previously.

Councillor H.C. Irving introduced the report which incorporated an overview of the volumes and types of feedback received during 2014/15, which would enable the Committee to agree that the Council had a robust system in place for dealing with customer feedback. It also provided information regarding the Public Service Ombudsman for Wales' Annual Report and the accompanying letter.

It was explained that responsibility for corporate complaints had transferred from the Head of Customers and Education Support to the Principal Manager - Business Support (PMBS), and the team which managed Social Services complaints.

The PMBS explained that the report had retained its format, as previously agreed by the Committee, and invited the Committees views as to whether the information provided was appropriate and adequate to enable the Committee to ensure that the process was robust and fit for purpose.

A summary of the report and Headlines for 2014/15, Appendix 1, included:-

- A total of 411 complaints had been recorded – a decrease of 19% compared to the previous year's total of 510. Changes in the way complaints were recorded had accounted for this in part.
- Overall performance for the year had been 91 of stage 1 complaints responded to within the Your Voice timescales. This had not meet the corporate target of 95%.
- Overall performance for the year had been 84% of stage 2 complaints responded to within the Your Voice timescales. This had not meet the corporate target of 95%.
- The number of complaints successfully dealt with at stage 1 had increased to 93%.
- A total of 708 compliments had been recorded resulting in a decrease of 5% compared to the previous year's total of 749.
- A total of 76 suggestions had been recorded, an increase of 13% compared to the previous year's total of 67.

It was confirmed that 29 complaints had been made to the Ombudsman during 2014/15 which was higher than the Welsh Local Authority average, as indicated in

Appendix 2. One Section 21 report had been issued regarding a Protection of Vulnerable Adults investigation. Appendix 3 provided a summary of the complaint.

Two complaints of Members breaching their code of conduct had been made during 2014/15. Both complaints had been closed after initial consideration, as indicated in Appendix 4.

Mr P. Whitham highlighted the importance of incorporating details of trends within the report, and providing comparisons pertaining to present and past information.

In reply to a question from Councillor J.A. Davies, it was confirmed that the number of compliments received each year was greater than that of complaints, and it was acknowledged that lessons could also be learnt from compliments received.

The Chair expressed concern regarding a possible element of a duplication of work as this matter had been considered by the Performance Scrutiny Committee (PSC), and suggested that consideration be afforded to the most appropriate reporting channel. The HIA provided details of the Committee's Terms of Reference, and the HLHRDS explained that the Committee would require an assurance that the system was being monitored robustly and appropriately.

The Committee agreed that future reports be presented to the PSC, and the HLHRDS agreed that the Corporate Governance Committee's Terms of Reference be amended accordingly. Reference was made to the business item, Corporate Governance Committee – Terms of Reference Update, included on the Committee's forward work programme for consideration at the November meeting.

The HLHRDS suggested that it would be appropriate that if the PSC detected a trend which was a corporate issue rather than a service issue, then the matter be referred, by the Scrutiny Chairs and Vice Chairs Group (SCVCG), to the Corporate Governance Committee for consideration. Members agreed that the SCVCG be requested to provide an annual briefing note on trends relating to complaints received.

The WAO Representative AV referred to the Annual Governance Statement which incorporated the provision of assurances presented to the Corporate Governance Committee. These included many areas and incorporate the complaints process.

Following further discussion, it was:-

RESOLVED – *that Corporate Governance Committee:-*

- (a) receives and notes the contents of the report.*
- (b) agrees that future reports be presented to the Performance Scrutiny Committee, and the Terms of Reference of the Committee be amended accordingly.*
- (c) agrees that any trends detected, which were a corporate issue rather than a service issue, be referred by the Scrutiny Chairs and Vice Chairs Group to the Corporate Governance Committee for consideration, and*

(d) requests that the SCVCG provides an annual briefing note on trends on complaints received.

(TW, COG, GW to Action)

11 MONITORING OF COUNCIL FUNDED SERVICE PROVIDERS

A report by the Head of Business Improvement and Modernisation (HBIM), which provided an opportunity to comment on and contribute to the draft framework for setting up and monitoring Council Funded Service Providers (CFSPs), had been circulated previously.

The Head of Internal Audit (HIA) introduced the report and confirmed that the draft document had been considered by the Corporate Executive Team on the 21st September 2015, when minor amendments had been made which included a request for further detail of the organisations affected by the new framework.

A final draft version of the document would be presented to SLT on the 1st October, 2015 prior to being formally adopted and launched later that month. The risks addressed by the new framework had been summarised and incorporated in the report.

The HIA explained that the new framework would ensure that the Council had a robust mechanism to monitor governance, financial performance, operational performance and the use of Council funds. He provided a detailed summary of the draft document, Appendix 1, 'Framework for Delivering Services with Council-funded Service Providers' and provided further detail on the following areas:-

- Why we need a framework
- Some 'must dos'
- The role of senior management and Elected Members
- Council representation on CFSPs
- Details of requirements for setting up, monitoring and reporting on CFSPs
- Appendices providing more detailed guidance on business cases, legal agreements and service level agreements.

During the ensuing discussion the following issues were raised and responses provided:-

- The distinction between the role and responsibilities of a landlord in comparison to an organisation providing services on behalf of the Authority.
- The benefits realised from having Elected Members on the Board of an organisation which provides a service for, or on behalf of, the Authority.
- Problems which could arise if the relationship between a respective company or organisation and the Authority was strained. The duties of Elected Members as Directors of a Board could then become indistinct, and impair their role of being an effective voice for the Authority.
- The importance of the Authority not relying exclusively on Elected Members, as Board Members, to monitor any negative activities of the respective organisation or company.

- The need for proper monitoring arrangements to address any negative activities.
- The framework to provide an understanding of expectations, for both the respective organisations and Members, prior to the commencement of any agreements or legal documentation.
- The definition was provided in respect of landlord and tenant arrangements, and the management of leased properties in the ownership of the Authority.
- In response to a question regarding the possible provision of awareness training for Members and middle managers, details were provided of the work being undertaken by the HIA.
- Details of the auditing arrangements were provided by the HIA, particular reference being made to the Audit Plan.
- Reference was made to the possible difficulties which could be encountered in implementing and applying the new framework with regard to existing agreements.

Following further discussion, it was:-

RESOLVED – *that Corporate Governance Committee:-*

- (a) *receives and notes the contents of the report, and*
 - (b) *endorses the draft framework.*
- (IB to Action)**

12 CORPORATE GOVERNANCE COMMITTEE WORK PROGRAMME

The Corporate Governance Committee's Forward Work Programme (FWP) (previously circulated) was presented for consideration.

The Committee confirmed the Corporate Governance Committee Forward Work Programme subject to the inclusion of the following reports:-

18th November, 2015:- PFI Update.

27th January, 2016:- Corporate Safe Guarding Update.

RESOLVED – *that, subject to the above, the Committee approves the Forward Work Programme.*

(CW to Action)

Meeting ended at 13.30 p.m.