

MINUTES of the meeting of Audit and Corporate Governance Committee held at : The Council Chamber, Brockington, 35 Hafod Road, Hereford. on Friday, 21st December, 2007 at 10.00 a.m.

Present: Councillor ACR Chappell (Chairman)

Councillors: PGH Cutter, MJ Fishley, JHR Goodwin, R Mills and AM Toon

In attendance: Councillors GFM Dawe, PJ Edwards and AT Oliver

52. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor RH Smith.

53. NAMED SUBSTITUTES(IF ANY)

Councillor PGHCutter substituted for Councillor RH Smith.

54. DECLARATIONS OF INTEREST

There were no declarations of interest received.

55. MINUTES

RESOLVED: That

(i) **subject to the following amendments, the Minutes of the meeting held on the 30th November 2007 excluding the Exempt Minute considered later in the meeting, Minute No. 60 refers, be approved as a correct record and signed by the Chairman:**

(a) **the word 'have' being replaced with the word 'had' in line one of paragraph (c) to Minute No.47;**

(b) **the following words be added after the Resolution to Minute No.51:**

'RESOLVED: That the meeting move into closed session to consider exempt items.'

56. UPDATE ON COMMUNITY NETWORK UPGRADE AND CRITICAL RECOMMENDATIONS IN USE OF CONTRACTORS IN ICT SERVICES

The Committee considered a report submitted by Mrs J Jones, Director of Corporate and Customer Services, which provided an update on progress made in the review

of the community network contract and the four critical recommendations arising from the use of contractors ICT audit report. The report also took account of the recently received Crookall report.

Mrs Jones made reference to the financial implications on page 7 of the report and informed the Committee that currently work was in progress and that further updates would be presented to the Committee in due course. With regard to the delayed workshop session for Legal, Audit, Procurement and ICT Services, as referred to in paragraph 3 on page 8 of the report, Mrs Jones informed the Committee that it had taken place on 17th December 2007 and that it had been productive for all parties involved.

Mrs Jones referred to the Information Policy Group (IPG) more particularly referred to in paragraph 8 of the report which she was already Chairman of, and informed Members that the Group was currently considering the business cases of ten projects.

In response to a request by Councillor PGH Cutter, the Chairman gave an assurance that a practical procurement guide based on the outcomes of the workshop would be made available in the Members Room in due course.

Councillor AT Oliver referred to a review contract being undertaken by the Society of Information Technology Managers and asked the value of the contract. Chris Bull, Chief Executive, informed the Committee that when the contract had been completed the cost could be made public.

Discussion ensued regarding the Tender process, contract costs and the utilisation of Prince 2 Project Management. Councillor AM Toon proposed that all Councillors be given half day awareness training on the Prince 2 Project Management.

Chris Bull agreed to incorporate a suggestion by Councillor GFM Dawe for Member training with regard to analysis of business cases.

Councillor PJ Edwards requested a timescale in respect of the replacement of out of date ICT systems and associated revenue support costs. Mrs Jones informed the Committee that this work was in progress and that a report on the issues would be submitted to the Committee at a later date.

.

RESOLVED: That

- (i) all Councillors be given half day awareness training on Prince 2 Project Management and also on the analysis of business cases; and**
- (ii) the report be noted.**

57. PROGRESS REPORT NO.3 - DIRECTOR OF RESOURCES SPECIAL REPORT

The Committee considered a report submitted by Mrs S Rees, Director of

Resources, which provided a third update on progress with regard implementing the action plan agreed by Cabinet in response to the Director of Resources' special report and outlined the way forward.

Discussion ensued regarding the flexibility of Member's travel and subsistence claims outside the one month limit. Members noted that from a public inspection and administrative viewpoints the preferred limit was more practical.

RESOLVED: That the progress made to date and the proposed way forward in respect of the action plan, more particularly referred to in the report, be noted.

**58. REVIEW OF THE SCHEME OF DELEGATION, BUDGET AND POLICY
PROCEDURE RULES, FINANCIAL PROCEDURE RULES AND CONTRACT
PROCEDURE RULES**

The Committee considered a report seeking approval to proposed revisions to the Constitution in line with the resolution made by Council on 2nd November 2007.

Councillor PGH Cutter gave details of minor amendments which he considered necessary to wording in the Appendices attached to the report. Councillor PJ Edwards also suggested an amendment.

RESOLVED: That subject to the following amendments, the proposed amendments to the Constitution as set out in the Appendices attached to the report be approved for further consideration as detailed in paragraph 5 of the report:

- (i) the Appendices attached to the report be amended as follows:
 - (a) '12.6' be replaced with '12.6.1' in paragraph 12.6.2 in Part 12 Scheme of Delegation;
 - (b) the word 'shall' be inserted after the word 'Board' in paragraph 12.7.22 in Part 12 Scheme of Delegation;
 - (c) the word 'Health' be deleted after the word 'Service' in the second line in paragraph 12.10.4 in Part 12 of the Scheme of Delegation;
 - (d) the word 'Health' be inserted after the word 'National' in the second line of paragraph 12.10.4 in Part 12 of the Scheme of Delegation;
 - (e) the words 'It is imperative that' be deleted from line 1 in paragraph 3.15 in Appendix 4;
 - (f) the word 'any' be replaced with the word 'an' in line 1 in paragraph 11.11 in Appendix 4;
 - (g) the word 'might' be replaced with the word 'should' in the first line of paragraph 5.3.27 in Appendix 5;

59. UPDATED INTERIM ASSURANCE REPORT 2007/08 NO.4

The Committee considered a report submitted by Mr T Ford, Chief Internal Auditor, which updated the Committee with an interim Assurance report for 2007/08. The report gave an update on progress with the significant internal control issues identified in the Assurance report 2006/07 and outlined the significant internal control issues identified to date in 2007/08.

Mr Ford referred to paragraph 9 of the report and informed the Committee that seven schools had not yet completed their report and therefore had not been assessed by Audit. An appropriate report on the outcome of the assessment would be submitted to the Committee in due course.

With regard to certain issues raised by Members, Mr Ford informed the Committee that he would ensure that the schools audit programme includes consideration of the most recent Ofsted report.

Councillor PJ Edwards made reference to the Drugs Forum Partnership referred to in paragraphs 10 and 11 of the report and suggested the use of best practice with a view to achieving positive management of the Partnership.

RESOLVED: That

- (i) the use of best practice be suggested to the Social Economic and Regeneration Manager with regard to the management of the Drugs Forum Partnership;**
- (ii) the report be noted.**

EXCLUSION OF THE PUBLIC AND PRESS

In the opinion of the Proper Officer, the following item will not be, or is likely not to be, open to the public and press at the time it is considered.

RECOMMENDATION: that under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Schedule 12(A) of the Act, as indicated below:

The item contains information relating to an individual.

60. EXEMPT MINUTE

Further to Minute No. 55 to these Minutes, the Committee considered an Exempt Minute of the meeting held on 30th November 2007.

**AUDIT AND CORPORATE GOVERNANCE COMMITTEE FRIDAY, 21ST DECEMBER,
2007**

**RESOLVED: That the Exempt Minute of the meeting held on the 30th
November 2007 be approved as a correct record and signed by the Chairman.**

The meeting ended at 1.30 p.m.
<LAYOUT_SECTION>

CHAIRMAN

Document is Restricted

