

CIVIC AFFAIRS

14 September 2011

6.00 - 7.44 pm

Present: Councillors Boyce (Chair), Rosenstiel (Vice-Chair), Brierley, Marchant-Daisley, Herbert and Stuart

Also Present: Councillor McGovern (Executive Councillor for Customer Services and Resources)

Officers Present:

Chief Executive – Antoinette Jackson
Director of Resources – David Horspool
Head of Internal Audit – Steve Crabtree
Principal Auditor - Bridget Bishop
Head of Legal Services – Simon Pugh
Democratic Services Manager – Gary Clift
Electoral Services Manager – Vicky Breeding
Committee Manager – Glenn Burgess

Also Present:

Audit Commission Representative – Neil Gibson
Audit Commission Representative – Paul King

FOR THE INFORMATION OF THE COUNCIL**10/45/civ Apologies for absence**

None

10/46/civ Minutes of the meeting held on 29 June 2011

The minutes of the 29 June 2011 meeting were approved and signed as a correct record.

10/47/civ Declarations of Interest

Councillor Rosenstiel informed the committee that he was no longer a Director of the Electoral Reform Society. He remains a member but is no longer involved in its governance.

10/48/civ Public Questions

None

10/49/civ Change to agenda order

Under paragraph 4.2.1 of the Council Procedure Rules, the Chair used his discretion to alter the order of the agenda to take item 8 first. However, for ease of the reader, these minutes will follow the order of the published agenda.

10/50/civ Audit Commission Annual Governance Report and approval of Statement of Accounts

The committee received a report from the Director of Resources regarding the Annual Governance Report and the Statement of Accounts for the year ending 31 March 2011.

Representatives of the Audit Commission outlined the key messages in the Annual Governance Report and highlighted that the Council had successfully met the challenges posed by the move to International Financial Reporting Standards (IFRS).

Members of the committee made the following comments regarding the report:

- i. Thanked the Director of Resources and his officers for their hard work.
- ii. Clarification was sought on how the Council would meet the £60m obligation within the pension fund. The Director of Resources explained that within the Medium Term Strategy (MTS) and the Budget Setting Report (BSR) changes to employer's contribution rates had been highlighted. The contribution made by the Council would need to be balanced over the long term in order to meet these obligations.
- iii. Questioned whether the introduction of the IFRS had resulted in a higher resource commitment from the Council when preparing the accounts. The Audit Commission confirmed that the new regime was more resource intensive, and this was reflected in a 6% increase in audit fees for 2010/11. It was noted that the ongoing increase was likely to be approximately 3%. The Director of Resources confirmed this view and assured the committee that this had been highlighted in the Council's consultation response to IFRS.

The Director of Resources introduced the Statement of Accounts for the year ending 31 March 2011. The committee had reviewed the draft Statement of Accounts on 29 June 2011 and there had been no significant changes since this date.

Due to the receipt of late external information, a minor amendment highlighting changes to the pension adjustment was tabled.

It noted that, whilst there was no requirement to continue with a draft process for the Statement of Accounts, this Council supported the practice and wished to continue. The committee supported this view.

It was confirmed that, as the next scheduled meeting of the committee was not until February 2012, it was proposed to delegate agreement of the Annual Audit letter to the Director of Resources, in consultation with the Chair and Spokes. The letter would then be circulated to members by the 30 November deadline.

Resolved to

- i. Receive the Annual Governance Report presented by the Audit Commission.
- ii. Approve the Statement of Accounts for the year ending 31 March 2011 as amended in the tabled document.
- iii. Authorise the Chair of the meeting to sign the Letter of Representation and audited Statement of Accounts for the financial year ending 31 March 2011 on behalf of the Council.
- iv. Delegate agreement of the Annual Audit Letter to the Director of Resources, in consultation with the Chair and Spokes, and receive formal presentation of the letter by the District Auditor at the next scheduled meeting of Civic Affairs in February 2012.

10/51/civ Internal Audit Progress Report 2011/2012

The committee received a report from the Head of Internal Audit regarding progress with the annual internal Audit Plan for 2011/12.

Members of the committee made the following comments regarding the report:

- i. Further information was requested on the review of compliance with Transfer of Undertakings (Protection of Employment) (TUPE). The Head of Internal Audit confirmed that work had been undertaken to look at the robustness of the practices and procedures used by the Council. Delays in the process had affected the delivery of some projects and a number of learning points had been identified for the future.
- ii. Questioned whether, in light of the 'No Assurance' rating for the Leaseholder Services Charges, there were likely to be wider issues around charges being appropriately levied. The Head of Internal Audit confirmed that work was being undertaken with key officers to ensure that data was being captured and costings were being correctly managed. The Chief Executive assured the committee that follow up work would be done with Internal Audit and Service Managers to address these issues. It was agreed that a Members Briefing would be arranged.
- iii. Requested more clarity and transparency for both tenants and leaseholders regarding estate management charges. The Chair suggested that members might wish to request further information through the scrutiny process.

Resolved to

- i. Note progress against the original plan together with the associated assurance levels established.

10/52/civ Electoral Services Resources

The committee received a report from the Chief Executive regarding the need for additional resources in the Electoral Services Team.

The Director of Resources confirmed that, if the committee were to agree the additional resource, provision had been made in the Medium Term Strategy (MTS).

Members of the committee made the following comments regarding the report:

- i. Clarification was sought on whether the workload of the additional post would be seasonal and if the additional resource should reflect this. The Chief Executive noted that the table on page 199 illustrated how the key elements of the service were spread across the year, and therefore a full

time post would be appropriate. The introduction of Independent Electoral Registration (IER) and the implications of the Localism Bill would also require additional processes and procedures to be implemented across the service. It was noted that, whilst the re-allocation of staff from other areas during 'peak' periods may still be required, it was important to have an additional experienced, fully trained member of the team. The Democratic Services Manager confirmed that an annualised hours contract had been used in the past but this would not suit the future demands of the service.

- ii. The Chief Executive was asked her views on comments made by the Secretary of State for Communities and Local Government that Chief Executives should not receive a Returning Officers fee. The Chief Executive responded that, as the legal responsibility for running elections sat personally with individual Returning Officers and not their Councils, separate payment was appropriate. It was also noted that the Association of Local Authority Chief Executives would be making formal comment on this issue.

Resolved to

- i. Endorse the intention to fund an additional post in the Electoral Services Team as part of the Medium Term Strategy process.

10/53/civ Individual Electoral Registration (IER) – proposed response to the Government's White Paper and draft legislation

The committee received a report from the Electoral Services Manager regarding the Councils draft response to Government proposals for Individual Electoral Registration (IER).

An amended version of the draft response was tabled incorporating Cllr Rosenstiel's suggestions

Members of the committee made the following comments regarding the report:

- i. Concern was raised regarding the Government's proposal to end compulsory electoral registration. If a complete and accurate register of voters was to be maintained, it was felt that responding to the annual canvas should be made compulsory and not be down to individual choice.

- ii. Concern was raised that non-registration may undermine the jury system as the selection process would be less representative of the population.

The committee supported these views and agreed that they be incorporated into the final response to the Cabinet Office. The City's MPs would also be copied into the response.

Resolved to:

- i. Agree that the Chief Executive consult and agree with the Chair and spokes the final version for submission to the Cabinet Office by its 14 October deadline.

10/54/civ Honorary Freedom of the City - City of Szeged

The committee received a report from the Democratic Services Manager regarding the proposal to confer the Honorary Freedom of the City of Cambridge upon the City of Szeged.

Members of the committee made the following comments regarding the report:

- i. Clarification was sought on the detailed breakdown of the requested £8000 budget. The Democratic Services Manager confirmed that this would cover transport, accommodation and a programme of events during the visit. The estimated figure was based on costs incurred when the honour was awarded to the City of Heidelberg in 2005.
- ii. Clarification was sought on the current practice for funding air travel for twinning visits. Through previous experience in her role as Mayor, Councillor Stuart confirmed that the visiting Council would normally fund their own air travel costs.
- iii. Emphasised the need for the twinning event to be undertaken on the basis of appropriate reciprocity.

The Democratic Services Manager agreed to undertake some further analysis of the proposed budget and liaise with the Executive Councillor, Chair and Spokes prior to the Council meeting on 20 October 2011.

Resolved to

- i. Recommend that Council confer the Honorary Freedom of the City of Cambridge upon the City of Szeged to mark the 25th anniversary of the twinning link with that City.

10/55/civ Committee Dates 2012/13 and 2013/14 (indicative)

The committee received a report from the Committee Manager seeking approval for the committee dates 2012 to 2014.

Members of the committee made the following comments regarding the report:

- i. Work should be undertaken to review the committee schedule to ensure a more even work pattern across the calendar year.
- ii. Agreeing dates up until 2013/14 adds unnecessary rigidity to a process that may need fundamentally reviewing.
- iii. Additional scrutiny could take place during the months between October and January.
- iv. Effective committee schedules should have a degree of support from cross party representatives of the Council.
- v. Councillors should play a more active role in service reviews.

The Chief Executive responded that, whilst Scrutiny Committees were not currently scheduled between November and January, a large number of meetings were being held in this period. She noted that the finite capacity within services and suggested that the portfolio planning process in January would be the appropriate place for agreeing the relative priority of any new scrutiny initiatives.

Resolved (Unanimously) to

- i. Approve the committee dates for 2012/13
- ii. Approve the committee dates for 2013/14 as indicative for planning purposes

The meeting ended at 7.44 pm

CHAIR