

MINUTES
CORPORATE GOVERNANCE PANEL
HELD ON
MONDAY 24TH SEPTEMBER 2018
IN THE
EXECUTIVE BOARD ROOM, PENALLTA HOUSE

Panel Members Present:

R. Edmunds (RE), D. Gronow (DG), S. Harris (SH), J. Jones (JJ), L. Lucas (LL), K. Peters (KP), N. Scammell (NS) and R. Tranter (RT)

1. APOLOGIES

An apology for absence was received from Councillor B. Jones

2. MINUTES

The minutes of the meeting held on the 19th January 2017 were agreed as a correct record.

3. NEW ISSUES ARISING FROM THE 2017/18 ANNUAL GOVERNANCE STATEMENT (AGS) AND PROGRESS ON ANY ISSUES FROM 2016/17

An update was given on the establishment and remit of the Corporate Governance Panel arising from the WAO Special Inspection recommendations.

In terms of the issues arising from the AGS the 2016/17 actions and progress made were outlined. It was noted that due to staff absences and secondments the Panel had not met since January 2018.

DG confirmed that Head of Service (HoS) checklists for this years review had been sent out with the intention of this group meeting on a quarterly basis with the minutes being reported to the Audit Committee. It was agreed that following the return of the checklists and the updating of the AGS a report would be presented to CMT some time in April 2019. Given the time frame and taking into account year end it was agreed that DG would produce a flowchart of process and timelines.

Reference was made to the recommendation of Grant Thornton in relation to the HR Strategy Group and it was agreed that an invitation be extended to Lynne Donovan to attend future Panel meetings.

4. ISSUES ARISING FROM EXTERNAL AUDIT REPORT TO AUDIT COMMITTEE

DG outlined the agreed actions arising from the Public Sector Internal Audit Standards (PSIAS) action plan. In relation to the agreed actions for the Audit Plan it was confirmed that this would be presented to the Audit Committee for consideration

Reference was made to internal assessments and planning and it was agreed that timeframes would be reviewed in terms of outstanding actions and Head of Service input would be requested. It was agreed that the matter be taken to Directorate Senior Management Team meetings in order to engage them in the process.

In terms of the WHQS audit and its inclusion into the plan, DG confirmed that this was being worked through. It was agreed that the structures on which the current plan was based required a refresh.

The content of the Annual Audit Plan and how each risk was assessed was summarised and was noted to cover the main financial risks as well as reputational and other risk and is reported annually to the Audit Committee.

Key Performance indicators were discussed and it was agreed that they needed to be reviewed in order to establish if they are still valid. It was noted that future Audit Committee reports would need to give more context and narrative on the audit. It was agreed that a review of how reports/actions are escalated following an audit was required and an appropriate process needs to be put in place. It was noted that the new computerised system that is being procured would close the loop on this by introducing an automated system that would email recommendations to Managers for response. Managers would then take ownership of the actions and take forward. The software portal would streamline the process, simplifying reporting and factoring in timescales, allowing recommendations to be followed up over time. It was agreed that those in need of improvement would be sent to the Audit Committee. The Annual Governance Statement would also be collated from the new system.

The coverage of the financial system and data matching was discussed and DG provided examples of data matching.

Audit Committee process and reporting was discussed and DG agreed to look at good practice in other authorities and provide feedback to the next meeting. It was accepted that some information that now required reporting at committee may need to be done in exempt session.

6. ISSUES ARISING FROM PSIAS REVIEW (AUDIT COMMITTEE TOR, AUDIT CHARTER ETC)

The outcome of the external peer review on compliance with the Public Sector Internal Audit Standards (PSIAS) was reviewed and the current position in terms of code compliance noted.

DG confirmed that the external assessment was undertaken every five years with this latest review undertaken by Newport City Council's Chief Internal Auditor. The process highlighted a number of actions for consideration but the overall outcome was that the main areas in the Standards were well covered and no fundamental issues were outstanding.

Reference was made to updating the Audit Charter and it was confirmed that this would be done in January 2019. It was agreed that a progress report be presented to the next Group meeting.

7. REVIEW/RECAP OF CURRENT POSITION ON CODE COMPLIANCE (FOLLOWING LIVE WORK THROUGH OF DOCUMENT)

It was noted that Richard Harris would take this forward and this would be added to the Audit Committee forward work programme for January 2019.

8. PARTNERSHIP AND COLLABORATION

KP provided an update on partnership and collaboration and confirmed that the current list was presented to the Audit Committee on a quarterly basis and sought views on changing this practice to an annual basis only. KP advised that the current data base would be reviewed in order to ensure the information it contained was still relevant and robust as it presently noted all collaborations including informal collaboration and queried if this depth of detail would continue to be required going forward.

NS advised that it was such informal collaborations that had historically presented issues in terms of governance, issues being highlighted in previous audits.

KP confirmed that she was looking for a steer on what collaboration/partnerships means and how to report and the level to pitch this going forward. For example looking at Formal/Joint Delivery, only at those with SLA's in place, areas for improvement, associated risks etc.

The implications of GDPR and data protection in terms of informal collaboration was discussed and the risks for personal information, reputational risk and other risks that could be framed within an informal collaboration. The reframing of the criteria and a review of the protocol was discussed and it was agreed that a review was now required as the Authority is in a different position. It was also felt that Service Managers would benefit from the review as it could give them clear definitions and instructions.

Reference was made to the importance of ensuring that data on all known collaborations was in one place identifying who is the lead and that appropriate governance arrangements are in place.

KP agreed to review the protocol in discussion with colleagues and feedback to the next Panel meeting.

9. AUDIT COMMITTEE FORWARD WORK PROGRAMME

The forward work programme for the Audit Committee was noted and in relation to the item on WHQS Acceptable Fails SH queried whether Shaun Couzens was aware that he would be needed at the meeting. It was agreed that a reminder would be sent.

10. ANY OTHER BUSINESS

4-TIER

DG sought the Panels' views on the proposal for 4 tier audit opinions, risk ratings and assurance namely: -

Effective

Effective with Opportunities for Improvement (to be reported to Committee if no improvement seen on follow up recommendation made)

In Need of Improvement (to be reported to Committee)

Inadequate and In Need of Immediate Improvement (to be reported to Committee)

The Panel agreed to seek the Audit Committee's approval and endorsement for using the 4 tier themes when future audit reports start coming forward, as this would provide the rationale behind all audit opinions and support the AGS.

GDPR

JJ provided an update on GDPR and the Information Governance Team. It was noted that the team had rolled out packages of training and awareness rising in relation to GDPR. Templates for contracts and terms and conditions were being progressed. Privacy Notice templates had been completed and shared with other local authorities however due to staff pressures there was a backlog on fully completed notices.

It was noted that the biggest challenge for the Team were the privacy notices. JJ had looked at what other authorities had published and there was a mixed picture in terms of numbers and the levels of completion. It was confirmed that 30 privacy notices were currently in draft format and JJ sought a view from the Panel as to whether they should be published in their current form or held back until there were sufficient staffing resources available to fully complete.

Consideration was given to the balance between the need to publish against publishing draft notices. JJ advised that ideally she would like to have something on line by the 28th September 2019 and was of the opinion that the current notices should be adequate for compliance under GDPR. It was agreed that the notices should be published as is with the priority given to high risk items first.

An update was then provided on a notification of a breach to the Information Commissioners Office.

It was noted that a GDPR checklist had been embedded into all audits.

JJ emphasised the importance of staff undertaking the annual e-learning module on information governance and data protection and advised that Managers should be tracking compliance.

WAO – PROJECT BRIEF – ASSURANCE AND RISK ASSESSMENT REVIEW

The Panel noted the project brief circulated by the WAO and the content of the brief was discussed. It was noted that this would be a national 'light touch' piece of work which would seemingly concentrate on document reviews, a limited number of interviews and observing meetings.

It was agreed that the review should be added to the CMT forward work programme for their consideration.

Meeting Closed At: 12.05pm