

AUDIT COMMITTEE

A meeting of the Audit Committee was held on 22 December 2009.

PRESENT: Councillor Clark (Chair), Councillors C Hobson, Majid and Taylor.

OFFICERS: B Baldam, C Davies, S Harker, A Johnstone and R Long.

****ALSO IN ATTENDANCE:** C Craig, Director, Assurance and Advisory, Deloitte.

**** DECLARATIONS OF INTEREST**

There were no declarations of interest at this point in the meeting.

**** MINUTES**

The minutes of the meeting of the Audit Committee held on 17 September 2009 were taken as read and approved as a correct record.

ANNUAL EQUALITY AND DIVERSITY REPORT

The Corporate Performance Officer presented a report outlining the Council's approach to ensuring equality and diversity was embedded within decision-making processes and structures, HR policies, policy development frameworks, performance management systems and consultation processes. A copy of the draft Annual Equality and Diversity Report was attached at Appendix 1 to the submitted report, and summarised the key pieces of work being undertaken within the Council on equality and diversity and the outcomes achieved, within a single document.

The draft report contained details of the actions the Council had taken over the last year to improve access to service provision, promote equal opportunities and encourage good relationships. How the Council monitored progress against the equality and diversity agenda was detailed in the report along with the significant achievements that had been made. Once the remaining year-end data was available, the report would be submitted through the Council's decision-making processes.

Prior to submission to Executive, all reports were submitted to Corporate Management Team at which point an assessment was made on the quality of the report and whether it met corporate standards against a range of issues. There was a requirement to state whether the report had had an Equality Impact Assessment (EIA) completed on it and whether the findings of the EIA had been fully outlined within the report. All completed EIAs were logged on a diversity database. The quality of the completed EIAs was scrutinised and challenged, first by the Officer leading on equality and diversity within the Council and then by the Corporate Diversity Group. This ensured that Members were fully aware of the impact of the decision they were taking and that EIAs were publicly available via the Council's website.

Several initiatives had been introduced by the Council including TEAM Middlesbrough, Positive Steps, Pathfinder, and Open House to identify people's training needs and put mechanisms in place to address those needs. It was highlighted that Union Learning Representatives also played a part in encouraging training particularly in improving literacy and numeracy for manual workers. In terms of the number of people employed by the Council from Black Ethnic Minority (BME) backgrounds the figure was lower than expected. There was currently a BME population of 8.7% according to the Office of National Statistics, compared to Council employment levels of 2.96% of the total workforce.

One of the key actions taken was to ensure that equality and diversity issues were fully understood by Officers developing recommendations. A corporate training programme had been provided for a number of years that covered a range of diversity issues. Training was also offered to Councillors on an ad hoc basis as issues arose and Members had the opportunity to identify learning and development needs within their Personal Development Plans. Plans were

in place to develop a generic briefing to Members on the latest legal requirements and best practice approaches recommended on equality and diversity.

RECOMMENDED as follows:

1. the information provided be noted.
2. the draft Annual Equality and Diversity Plan be endorsed.
3. Audit Committee receive regular updates on progress on Equality and Diversity issues.
4. practical examples of actions taken and achievements with regard to Equality and Diversity be provided to the Audit Committee on a regular basis.
5. update briefings and training be provided to all Members and Executive Members to ensure a continued awareness of Equality and Diversity issues.
6. that a report on sickness monitoring would be presented to the next meeting of the Audit Committee.

REVIEW OF MEMBERS AND OUTSIDE BODIES

The Director of Resources presented a report to update the Committee on the results of a recent review of Members and Outside Bodies. An initial review had been undertaken in 2008/2009 of the representation of Members on Outside Bodies using the Members' register. The responses received as part of the review were assessed using a similar matrix to evaluate the Council's strategic partnerships.

A schedule of findings from the review was presented to the Audit Committee on 2 May 2009 as part of the report on the Corporate Governance Statement. The schedule was also presented to the Corporate Affairs Committee on 3 June 2009. Members considered the findings of the initial review and recommended that Officers continued the review using the Outside Bodies matrix during 2009/2010 and report the results to the Corporate Affairs Committee for a decision.

The review had been completed and the results analysed by Officers from Strategic Resources and Democratic Services using the approved criteria including any barriers to effectiveness. A full schedule of findings from the review was shown at Appendix A attached to the submitted report.

The findings from the initial review to continue attendance or withdraw it, or that the Outside Body had ceased existence, were all confirmed. The Outside Bodies labelled as "review" in the initial review now had recommendations on whether to continue, withdraw or seek Members' views.

Members considered the results of the final stage of the review and agreed recommendations on future attendance to Outside Bodies as follows:

Outside Body		Recommendation
Age Concern	No member support to continue and no response from the body	Withdraw
Cleveland College of Art and Design Governing Body	The outside body does not meet the criteria to justify continued attendance but the current member wants to continue.	Continue
Home Start Teesside Management Committee	No member support to continue and no response from the body	Withdraw
Langridge Crescent Initiative Centre Management Committee	The outside body does not meet the criteria to justify continued attendance but the body wants to continue representation.	Continue
Levick Trust	Important to the Council and Social Care	Continue
Middlesbrough Voluntary Development Agency	No member support to continue and no response from the body	Decision deferred pending further information
North Ormesby Pavilion Management Committee	No member support to continue and no response from the body	Withdraw

St Mary's Centre Management Committee	No member support to continue and no response from the body	Withdraw
St Mary's College Governing Body	During the initial review the college governing body arrangements were being changed. The college have now requested continued support from members.	Continue
Stainsacre Hall Steering Group	No response from the body but there is a long history of involvement and support from members	Continue
Staying Put Advisory Committee	No member support to continue and no response from the body	Withdraw
Tees Health NHS Continuing Care Review Panels	Key to provision of Social Care	Continue
Tees Valley Environmental Protection Group	Representation required by constitution	Continue
Teesside Environmental Trust Ltd	No response from the body or members but environmental issues are high on the governments agenda.	Continue
Tennis World	No response from the body but there is a long history of involvement and support from the Council	Continue
Unity City Academy Trust Board	Representation required by constitution	Continue
Captain Cook Birthplace Trust	Council act as secretariate to trust	Continue
Cleveland Show Society Committee	No response from the body but the Council has provided financial support in the past.	Continue
Community Ventures (Middlesbrough) Ltd	Representation required by constitution	Continue
Dorman Museum & Art Gallery Trust	Established to attract grant funding for the museum. Inactive recently.	Withdraw
ENVIRONMENTAL PROTECTION UK	Multi local authority across Teesside	Continue
Federation of British Cremation Authorities – Executive Committee	Does not meet the criteria but the current representative has been involved for a number of years.	Continue
Joint Emergency Planning Committee	Multi local authority across Teesside	Continue
King's Academy Trust Board	Representation required by constitution	Continue
LGIU (Local Government Information Unit)	Representation required by constitution	Continue
Macmillan Academy Governing Body	Representation required by constitution	Continue
Middlesbrough Holiday Fund	Local Charity	Continue
Nunthorpe & Marton Playing Fields Association – Management Committee	No response from the body or members but representation is required by constitution (co-opted)	Continue
Partnerschaft Association	Oberhausen Town Twinning	Continue
River Tees Port Health Authority Joint Board	Joint body - representation is required by constitution	Continue
School Admissions Forum	Representation required by constitution	Continue
South Tees Youth Justice	Representation required by constitution	Continue

Forum		
Tees and District Society for the Blind	No response from the body or members	Withdraw
Tees Valley Arts Board	Council provides partial funding for cultural, tourism & education programmes	Continue
Teesside Ability Support Centre	Body welcomes representation but the council representative has been unable to attend as meetings clashed with surgeries.	Continue

RECOMMENDED as follows that:

1. the information provided be noted.
2. future attendance at Outside Bodies be continued or withdrawn as indicated in the table above.

AUDIT COMMITTEE – REVIEW OF EFFECTIVENESS

Members had agreed at the last meeting that a formal review of effectiveness of the Audit Committee would be undertaken. A lengthy discussion took place and suggestions were made for further development as part of the review as follows:

- Many of the reports presented to the Committee were very technical and Members preferred to receive reports that were readable and understandable.
- Several training sessions had been held, however Members felt that more training would be beneficial to enable them to fulfil their roles more effectively.
- The composition of the Committee was limited at only five members and it was felt that the membership should be increased to either seven or nine members.
- A four-year membership of the Committee would provide more continuity rather than the current annual appointments.
- External representation on the Committee would be useful to provide a different perspective.
- Meetings should be scheduled more regularly than on the present quarterly ad hoc basis.
- Duplication of the work of the Audit Committee and Corporate Affairs Committee should be avoided and the remits of both Committees clarified.
- The Audit Committee should ensure controls were in place through internal and external audit to make sure their work was targeted to meet needs.
- The Audit Committee should have a clear focus on whether or not proper processes were in place to manage risk and to take action where risks were identified.
- A clear reporting mechanism for the Audit Committee needed to be identified. It was suggested that a regular report to Council similar to the Overview and Scrutiny Board report could be presented.
- It would be useful for Members to look at arrangements in other Authorities for examples of best practice.

NOTED