

CORPORATE AFFAIRS AND AUDIT COMMITTEE

A meeting of the Corporate Affairs and Audit Committee was held on 6 December 2018.

PRESENT: Councillors Walkington, (Chair), C Hobson, Hubbard, Storey and Walters

PRESENT AS OBSERVERS: J Cain, BBC Local Democracy Reporter

PRESENT BY INVITATION: Councillor N J Walker

ALSO IN ATTENDANCE: H Fowler, Tees Valley Audit and Assurance Services (TVAAS)
S Kenny and N Wright, Ernst Young (EY)

OFFICERS: J Bromiley, J Etherington, A Hoy, S Lightwing, J Shiel, J Stuart, C Walker

APOLOGIES FOR ABSENCE were submitted on behalf of Councillor Brady.

DECLARATIONS OF INTERESTS

There were no Declarations of Interest at this point in the meeting.

18/28 ANNOUNCEMENT

The Chair paid tribute to Councillor Peter Purvis who sadly had recently passed away. Councillor Purvis was a former Chair, and more recently Vice Chair, of the Corporate Affairs and Audit Committee. On behalf of Members, the Chair acknowledged Councillor Purvis' contribution to the work of the Committee over several years.

18/29 APPOINTMENT OF VICE-CHAIR PRO TEM

Nominations were sought for the appointment of Vice Chair pro tem for the Corporate Affairs and Audit Committee. Councillor Storey was nominated and seconded and, therefore, appointed as Vice Chair of the Committee.

AGREED that Councillor Storey was appointed as Vice Chair pro tem of the Corporate Affairs and Audit Committee.

18/30 MINUTES - CORPORATE AFFAIRS AND AUDIT COMMITTEE - 10 OCTOBER 2018

The minutes of the meeting of the Corporate Affairs and Audit Committee held on 10 October 2018 were taken as read and approved as a correct record.

18/31 BUSINESS CONTINUITY ANNUAL ASSURANCE REPORT

A report of the Strategic Director of Finance, Governance and Support was presented to outline the Council's approach to Business Continuity (BC) Planning and to testing its BC plans, present a summary of findings from this year's tests, and detail the future review schedule.

The Council had a duty under the Civil Contingencies Act 2004 to develop and maintain BC plans to enable continued delivery of critical functions during a business interruption event.

The Council did not publish its BC plans as they outlined sensitive information around its critical processes, which could be misused, and contained personal information relating to employees.

The corporate BC plan was the overarching plan for the organisation and set out the structure used to identify and prioritise critical functions; the mechanisms for enacting the plan; how all plans would be maintained, tested and reviewed; and policies and procedures in place to

support BC planning. For each critical activity there was a departmental-level plan which set out information on buildings used to deliver that service, staff information, key equipment and supplies, key records, ICT systems and other key contacts.

The Council's approach was not, in the main, to write numerous plans for different risks, which if they occurred, could interrupt delivery of critical functions. The Council's approach was not, in the main, to write numerous plans for different risks, which if they occurred, could interrupt delivery of critical functions. The Fuel, Flu and ICT DR plans were exceptions to this rule, created because of specific risks facing the Council in recent years, and the scale of the interruption that such events could cause over a period of months.

Each department was required to test its plans at least every 12 months, or produce a lessons learnt report if a live BC incident occurred during the past 12 months. However, this year, a senior management exercise involving multiple plans had been undertaken in order to provide an enhanced test of the Council's preparedness and develop the skills of the Council's BC recovery team.

Business Continuity Plans were updated every six months and reviewed on an annual basis. This year's review had taken on board the increasing impact that agile working capabilities had on the way services could continue to deliver critical functions within an interruption event.

A Business Continuity Improvement Plan had been developed which covered training, documentation, communication and equipment and location arrangements. Details of progress on the plan in relation to training, documentation, communication and equipment and locations arrangements were detailed in the submitted report.

During 2019 further work would be undertaken to build on the progress made within the previous improvement plan.

AGREED that the information provided was received and noted.

18/32

INTERNAL AUDIT PLAN PROGRESS REPORT

A report of the Strategic Director of Finance, Governance and Support, was presented to update Members on the main findings arising from internal audit work carried out since the annual internal audit report to Members on 26 July 2018 and to brief Members on the performance of Tees Valley Audit and Assurance Services (TVAAS).

Appendix 1 to the submitted report provided a summary of the main internal audit work; a summary of the Priority 1 (P1) actions recommended (if any) during the quarter, plus any P1s outstanding from previous periods (if they had passed their due dates). The key points to note from Appendix 1 were as follows:

- One internal audit report issued as final during the period had an overall assurance level of Cause for Concern (Purchasing Cards). There were 5 actions outstanding from this report although four of them were not due to be implemented until 2019.
- Two draft reports were under discussion, both of which had a provisional opinion of Moderate, although one of the opinions was likely to increase to Good, provided that additional evidence was received.
- No new P1 actions had been recommended during the period and none were outstanding from earlier periods.
- No internal audit actions, that should have been implemented by 31 October 2018, were outstanding.
- A total of 76 actions were due to have been implemented (according to the agreed target date) between 1 April and 31 October 2018 and none of these were outstanding. This showed the progress made by the Council to address any issues.

No significant variations to the agreed Internal Audit Plan had been requested.

With regard to the audit of Purchasing Cards, it was confirmed that appropriate controls were in place and managers and staff needed to ensure that they complied with the procedures.

Since the report had been issued actions had been implemented to address the issues.

In relation to the two draft reports, it was confirmed that the additional evidence had not yet been provided due to staff absences.

Appendix 2 to the submitted report detailed the Internal Audit Performance Target Position for 2018/2019 and Appendix 3 outlined the audit assurance levels. Currently the percentage of completed audits was quite low but this was usual for this time in the year.

The Internal Audit Service had an escalation process that set out the expected timescales for responding to requests for information, responses to audit reports and outstanding actions. The process had been updated to include more information on engaging with the auditors and a copy of the document was attached at Appendix 4 for information.

AGREED that:

1. The information provided was received and noted.
2. Further discussion on the audit of Purchasing Cards would take place under Agenda Item 9.

18/33

POLLING STATION REVIEW

A report of the Strategic Director of Finance, Governance and Support was presented to request approval of proposed changes arising from the review of Polling Districts, Places and Stations which took place in October 2018.

Section 17 of the Electoral Registration and Administration Act 2013 introduced a duty on local authorities to carry out and complete reviews of polling districts and polling places between 1 October 2013 and 31 January 2015, and thereafter every four years. The last review in Middlesbrough took place in October/November 2015. Since that date there had been changes in the buildings available, as well as several areas of new houses built across the Borough. It was therefore appropriate to carry out the next review prior to the scheduled combined Local/Mayoral Elections on 2 May 2019.

The aim of the review was to seek that all Electors had such reasonable facilities for voting as were practicable in the circumstances. The Council sought to ensure that, so far as was reasonable and practicable, the polling places they were responsible for were accessible to all electors, including those who were disabled, and when considering the designation of a polling place, must have regard to the accessibility needs of disabled persons.

Electoral Services wrote to all current Councillors in March 2018 giving the background to the review and asking for initial observations to inform our proposals before they went to public consultation. A copy of the press notice and consultee list was attached at Appendix 1 to the submitted report and all the comments received during the consultation period were attached at Appendix 2.

Details of the proposals for all wards were provided in paragraphs 22 to 36 of the submitted report with location maps attached at Appendix 3. The proposed changes were as follows:

- Brambles and Thorntree Ward - 270 electors previously served by a temporary station to be accommodated at the nearby station in Brambles Farm Community Centre.
- Central Ward - polling station at St Aidan's Meeting Room to be reinstated and electors who previously voted at the Europa Building Station to be split between St Aidan's Meeting Room and Abingdon Primary School.
- Hemlington Ward - electors in six streets in the Earls Court Estate to be moved from

Hemlington Recreation Centre polling station to Viewley Hill Academy polling station.

- Kader Ward - two temporary stations in the south of the ward to combine into one temporary station located at the junction of Samaria Gardens and Acklam Road.

- Marton East Ward - Middlesbrough Sports Village to be formally adopted as a polling place.

- Newport Ward:
 - Polling station at Ayresome Primary School to be replaced with one at Redwood House.
 - Polling station at St Cuthbert's Church Hall to be replaced with one at Macmillan Academy.

- Park End and Beckfield Ward - Southlands Centre and Ormesby Methodist Church polling stations combined into one polling station at Glastonbury House.

- Trimdon Ward - create a new polling district to cover the Stainsby Hall Development with a temporary station at the junction of Jack Simon Way and Jocelyn Way.

No changes were proposed in the following wards:

- Acklam, Ayresome, Berwick Hills and Pallister, Coulby Newham, Ladgate, Linthorpe, Longlands and Beechwood, Marton West, North Ormesby, Nunthorpe, Park, Stainton and Thornton Wards.

Finally, the International Centre in Central Ward, although closed, was currently available for use. However, should this situation change and an alternative venue be required, it was suggested that this decision should be delegated to the Returning Officer.

Overall the proposals represented a net loss of two fixed and one mobile station from the totals following the 2014 review. The new total would be 67 polling stations on 66 different sites.

In Ladgate Ward, the station at Easterside Community Hub currently functioned as a dual station due to the parliamentary constituency boundary dividing the polling district. Should the current proposed boundary changes be approved this would no longer be necessary, resulting in the loss of a further polling station, although the building would still be used as a polling place.

Councillor Hubbard made representations in relation to the proposal in relation to Park End and Beckfield Ward which was that the Southlands Centre and Ormesby Methodist Church polling stations combined into one polling station located at Glastonbury House.

A site visit had been made by the Ward Councillor and Electoral Services Staff. It was confirmed by the Senior Electoral Officer that the number of electors, and distances they would have to travel to cast their vote, had been factored into the proposals, in accordance with the prevailing legislation.

Councillor Hubbard proposed that there should be two polling stations one at Ormesby Institute and the other at Glastonbury House.

On a vote being taken it was **AGREED** as follows:

1. Acklam, Ayresome, Berwick Hills and Pallister, Coulby Newham, Ladgate, Linthorpe, Longlands and Beechwood, Marton West, North Ormesby, Nunthorpe, Park, Stainton and Thornton Wards - no change.
2. Brambles and Thorntree Ward - 270 electors previously served by a temporary station to be accommodated at the nearby station in Brambles Farm Community Centre.
3. Central Ward - polling station at St Aidan's Meeting Room to be reinstated and electors who previously voted at the Europa Building Station to be split between St Aidan's Meeting Room and Abingdon Primary School.
4. Hemlington Ward - electors in six streets in the Earls Court Estate to be moved from Hemlington Recreation Centre polling station to Viewley Hill Academy polling station.
5. Kader Ward - two temporary stations in the south of the ward to combine into one temporary station located at the junction of Samaria Gardens and Acklam Road.
6. Marton East Ward - Middlesbrough Sports Village to be formally adopt as a polling place.
7. Newport Ward:
 - Polling station at Ayresome Primary School to be replaced with Redwood House.
 - Polling station at St Cuthbert's Church Hall to be replaced with Macmillan Academy.
8. Park End and Beckfield Ward - Southlands Centre and Ormesby Methodist Church polling stations to be combined and replaced with one polling station at Glastonbury House.
9. Trimdon Ward - new polling district to cover the Stainsby Hall Development to be created with a temporary station at the junction of Jack Simon Way and Jocelyn Way.
10. Decisions regarding future use of The International Centre as a polling station to be delegated to the Returning Officer.

18/34 **ANNUAL MANAGEMENT LETTER**

The Annual Audit Letter for the year ended 31 March 2018 was presented. The report confirmed the annual audit opinion which was unqualified for both the core financial statements and the value for money opinion.

The External Auditor confirmed that the information in report had previously been presented to the Committee and that this summary document concluded the formal annual cycle of reporting.

In relation to the increase in audit fee of £26,000 for the extended procedures around the value for money opinion, the External Auditor confirmed that this had been agreed with the Section 151 Officer and was now awaiting approval by the Public Sector Audit Appointments body (PSAA).

In relation to a query regarding asset disposals it was clarified that pipeline disposals were those that had not yet gone through the process and final decisions had not yet been reached.

AGREED as follows that the report was received and noted.

18/35 **ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED**

EXCLUSION OF PRESS AND PUBLIC

ORDERED that the press and public be excluded from the meeting for the following item on

the grounds that, if present, there would be disclosure to them of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

Internal Audit Report - Purchasing Cards

The Procurement Manager was in attendance to provide detailed information in relation to the use of Purchasing Cards by Council Employees and to answer Members' queries.

NOTED