

LISBURN CITY AND CASTLEREAGH DISTRICT COUNCIL

Minutes of the Meeting of the Governance and Audit Committee held in the Island Civic Centre, The Island, Lisburn on Thursday 16 October 2014 at 4.30 pm

PRESENT: Councillor S Carson, Vice Chairman
Presiding Member, Councillor J Tinsley
Councillors: A Ewart, J Gallen, O Gawith, A Givan, U Mackin, J McCarthy, S P Porter

OTHER MEMBERS: Councillors P Catney and John Palmer

IN ATTENDANCE: Lisburn City and Castlereagh District Council
Chief Executive
Director of Finance & Convergence of IT Systems
Lead Officer for Human Resources and Organisational Development

Lisburn City Council
Director of Corporate Services
Assistant Director of Corporate Services (Central Administration)
Transition Manager
Committee Secretary

Castlereagh Borough Council
Acting Director of Finance
Transition Manager
Performance and Policy Officer

In the absence of the Chairman, Councillor W A Leathem, the Vice Chairman, Councillor S Carson, chaired the Meeting.

The Chairman, Councillor S Carson, welcomed everyone to the October Meeting of the Governance and Audit Committee.

1. Apologies

It was proposed by Councillor J Tinsley, seconded by Councillor J Gallen, and agreed to accept apologies for non-attendance at the Meeting on behalf of the Chairman, Councillor W A Leathem, Councillors D Drysdale, H Legge, S Martin and Jenny Palmer.

2. Declarations of Conflict of Interest

The Chairman sought Declarations of Interest from Members and reminded them to complete the supporting form which had been left at each desk.

2. Declarations of Conflict of Interest (Cont'd)

There were no declarations received at the Meeting.

3. Minutes

It was proposed by Councillor J Tinsley, seconded by Councillor S P Porter, and agreed that the Minutes of the Meeting of the Governance and Audit Committee held on 9 September 2014 be confirmed and signed.

Matters Arising

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The Apportionment of costs Associated with the Ethical Standards Framework between Councils

Update by the Director of Finance and the Convergence of IT Systems

Email correspondence dated 30 September 2014 from Mr Stephen Western, Local Government Policy Division, Department of the Environment, to the Director of Finance and the Convergence of IT Systems, was circulated at the Meeting which had been received following the Shadow Council's response to the above consultation document. The Shadow Council had requested clarification on additional costs that may be involved in a legal challenge.

It was noted that since the consultation had commenced the Commissioner had agreed to provide the Department with maximum costs incurred and accordingly the Council would not be required to apportion further costs.

It was agreed that the update from the Director be noted.

Other Matter

Proposed Scheme Governance and Draft Local Government Pension

Scheme (Amendment) Regulations (Northern Ireland) 2014 – Consultation Document

The Director of Finance and the Convergence of IT Systems reported to the Committee that given the importance of the above consultation by the Department of the Environment, and the detail required to answer the questions therein, it was his intention to spend more time researching the document and in this regard requested the Committee's approval to being the draft response to the Meeting of the Shadow Council on 22 October 2014.

The Director responded to questions from Councillor S P Porter in connection with governance issues relating to the staff pension scheme.

It was proposed by Councillor J Tinsley, seconded by Councillor A Givan, and agreed that the Director prepares a draft response by to the above consultation for the Council's consideration at the Meeting of the Shadow Council on 22 October 2014.

4. Report of Chief Executive

It was proposed by Councillor J Tinsley, seconded by Councillor J McCarthy, and agreed that the report and recommendations of the Chief Executive be adopted, subject to any decisions recorded below:

4.1.7 Presentation by Directors

Further to the decision of the Committee at its Meeting held on 9 September 2014 that the Directors of the existing Councils be invited to present to the Committee at its Meeting in October on the work currently being undertaken in their departments it was agreed that the following presentations be received:

- a) Presentation by Mr Adrian Donaldson, Director of Corporate Services, Lisburn City Council, and
- b) Presentation by Mr Michael McCormack, Acting Director of Finance, Castlereagh Borough Council

4.1.7.1 Presentation by Director of Corporate Services, Lisburn City Council

Councillor John Palmer entered the Meeting during consideration of the above item. (4.35 pm).

With the aid of PowerPoint, the Director of Corporate Services, Lisburn City Council provided the Committee with an overview of the work of Lisburn City Council's Strategic Policy Committee and the Audit Committee, which was a Sub Committee of the Strategic Policy Committee, the remit of both Committees being strategic and governance issues.

During his presentation the Director referred to governance issues in relation to:-

- Members' Code of Conduct
- Officers' Code of Conduct
- Whistle Blowing Policy
- Council's Standing Orders
- Council's Corporate Plan
- Performance Management

The Director then discussed the requirement of the Audit Committee to prepare and implement the Audit Strategy and Audit Plan, including periodic audit reports, ad hoc investigations into areas of concern, an annual review of governance and risk management. The Director also discussed the key areas which would impact on the new Council, namely: the merger of the Internal Audit function, the preparation of an Audit Strategy and Plan, and the preparation of new Risk Registers.

The Chairman, Councillor S Carson, thanked the Director for his presentation.

4.1.7.2 Presentation by Acting Director of Finance, Castlereagh Borough Council

With the aid of PowerPoint the Acting Director of Finance presented on the work of the Governance and Audit service of Castlereagh Borough Council, with the Chief Executive

4.1.7.2 Presentation by Acting Director of Finance, Castlereagh Borough Council
(Cont'd)

having responsibility for Internal Audit, Performance Management, Business Continuity and Risk Registers; and the Director of Finance having responsibility for Financial and Budgetary Control, management of external audit relationships, Finance and Payroll System and IT (Data Transfer). The Acting Director advised that Castlereagh Borough Council's internal audit function was delivered via an external contract with Capita.

The Acting Director discussed the remit of the Council's Audit Sub Committee which reported to the Finance and General Purposes Committee.

The Acting Director elaborated on current challenges in relation to a number of governance issues for Castlereagh Borough Council such as performance management, communication, business continuity, change management and resources for maintaining effective controls in a changing workplace.

Councillor U Mackin entered the Meeting at 4.54 pm.

The Chairman, Councillor S Carson, thanked the Acting Director for his presentation following which the Acting Director responded to questions from the Committee in relation to Castlereagh Borough Council's internal audit function being delivered by an external contract, and in relation to the health and safety incidents referred to during the presentation.

4.2 Proposed Draft Protocol on the Operation of Call In Procedures and how this should be provided for in Committee/Council Report/s

The Transition Manager, Lisburn City Council, presented the above item.

A copy of a Proposed Draft Protocol on the Operation of Call In Procedures and how this should be provided for in Committee/Council Reports/s had been circulated to the Committee.

Concerns were noted from Councillor S P Porter in relation to the fact that decisions that were subject to Call In procedures could delay the business of the Council.

In response to questions from Councillor S P Porter the Transition Manager advised that the above Proposed Draft Protocol should be regarded as an interim measure as the Local Government (Standing Orders) Regulations (Northern Ireland) 2014, which were out for consultation until 15 August 2015, would provide detail on how the Call In procedures should be followed and what mandatory provision would have to be included in the Council's own Standing Orders.

It was proposed by Councillor O Gawith, seconded by Councillor J Tinsley, and agreed that the above Proposed Draft Protocol be approved.

4.3 Asset and Liability Transfer to Belfast City Council

The Transition Managers, Lisburn City Council and Castlereagh Borough Council, and the Lead Officer for Human Resources and Organisation Development presented their respective parts of this item.

4.3 Asset and Liability Transfer to Belfast City Council (Cont'd)

A copy of an update report on assets and liabilities transferring from Lisburn City and Castlereagh Borough Councils to the new Belfast City Council had been circulated to the Committee, which included information on staff transferring, together with a copy of a paper setting out guidance relating to Belfast City Council (BCC) Service Engagement Teams involved in the transfer of information and personal data from:

Lisburn City Council (LCC)
Castlereagh Borough Council (CBC)
North Down Borough Council (NDBC)
Northern Ireland Departments (NI Depts)
Northern Ireland Housing Executive (NIHE)

Questions were raised in connection with the following assets:-

- Lagan Valley Regional Park, in particular the Lock Keepers Cottage which was contained therein. Councillor S P Porter warned caution in regard to the proposed continued occupation by LCC/CBC staff and the accommodation remaining with LCCDC after 1 April 2015 based on a Service Level Agreement.
- The Cutts Recycling Centre
- Cregagh Youth and Community Centre

The Chief Executive acknowledged the concerns raised and assured the Committee that it was important that the Committee was made aware of the issues that were being addressed by Officers from both Councils.

The Lead Officer for Human Resources and Organisation Development updated the Committee in regard to staff transfer and workforce profile, it being noted that an update report on this matter would be brought to the next Meeting of the Committee.

It was proposed by Councillor J Gallen, seconded by Councillor O Gawith, and agreed that:-

- a) the update report on Asset and Liability Transfer to Belfast City Council be noted,
- b) the guidance paper be approved, and
- c) a further update report to be brought to the November Meeting of the Committee which would take account of the issues raised in relation to the above assets.

4.4 Westminster Election – Thursday, 7 May 2015

It was proposed by Councillor S P Porter, seconded by Councillor J Tinsley, and agreed that the Committee accedes to the request from the Electoral Office for Northern Ireland to avail of the Lagan Valley LeisurePlex as a count venue for the Lagan Valley count for the Westminster Election on Thursday, 7 May 2015 and Friday, 8 May 2015.

Items for Noting

4.5 Report from Away Day on 2 October 2014

The Lead Officer for Human Resources and Organisation Development updated the Committee in regard to the half day workshop which had been attended by 26 Councillors, the Chief Executive and four Officers of the Shadow Council on Thursday 2 October 2014 when the following outcomes had been achieved:

- Reconfirm the strategic context for the new Council
- Develop the Culture and ways of working in the new Council
- Define a core set of principles for testing the new models that emerge from the organisational design process
- Develop initial views on how the organisation and services would be shaped.

It was noted that a report summarising the feedback from the Away Day would be provided to Members at the Next Committee Meeting in preparation for the Away Day being held on 18 November 2014 in La Mon Hotel, Castlereaigh. A programme for the next Away Day was being developed currently.

4.6 Equality and Diversity in Local Councils - Conference
Tuesday 11 November 2014
La Mon Hotel and Country Club, Castlereaigh

The Committee had been furnished with preliminary details in connection with the above conference, the content of which was noted.

It was proposed by Councillor J Tinsley, seconded by Councillor S P Porter, and agreed that the Chairman and Vice Chairman of the Committee, or their nominee, be nominated to attend the above conference, the cost of a Member's attendance being £40 plus travel allowance.

5. Confidential Business

"In Committee"

It was proposed by Councillor S P Porter, seconded by Councillor A Givan, and agreed that the following item be considered in Committee in the absence of press or members of the public

5.1 Organisational Development

Councillor P Catney entered the Meeting during consideration of the above item (5.25 pm)

The Lead Officer for Human Resources and Organisation Development updated the Committee in relation to the Council's decision to participate in iESE's two 'away days' at no cost to the Council, by way of a consultancy scoping exercise in the area of organisation design

5.1 Organisational Development (Cont'd)

and clarified a number of key issues that had been raised previously by the Committee.

A report on a proposal in regard to the Council becoming a Member of iESE had been furnished to the Committee.

The Lead Officer for Human Resources and Organisation Development responded to questions from the Committee in regard issues relating to the above-mentioned proposal.

It was proposed by Councillor J McCarthy, seconded by Councillor A G Ewart, and agreed to come out of Committee and normal business was resumed.

Resumption of Normal Business

On resumption of normal business it was noted that it had been agreed on a proposal by Councillor J Tinsley and seconded by Councillor O Gawith that the Council apply for membership of iESE and that the proposal for iESE's support with the Council's organisational design process be approved, it being noted that the process would commence as soon as the Council's membership of iESE was in place.

6. Any Other Business

There being no further business, the Meeting was terminated at 5.30 pm

Presiding Member/Chairman