



**MINUTES  
OF THE MEETING OF THE  
CORPORATE GOVERNANCE GROUP  
TUESDAY 5 DECEMBER 2017**

Held at 7.00 pm in the Council Chamber, Rushcliffe Arena, Rugby Road, West  
Bridgford

**PRESENT:**

Councillors K P Beardsall, N A Brown, M Buckle, G Davidson, N C Lawrence,  
A MacInnes, S C Matthews, F A Purdue-Horan, Mrs J A Smith

**ALSO IN ATTENDANCE:**

Andrew Bush           KPMG  
Chris Williams         RSM

**OFFICERS PRESENT:**

Nigel Carter           Service Manager – Finance and Corporate Services  
Tracey Coop           Constitutional Services Officer  
Pete Linfield          Executive Manager - Finance and Corporate Services  
Kath Marriott         Executive Manager – Operations and Transformation  
Joanne Wilkinson     Safety and Risk Management Advisor

**APOLOGIES FOR ABSENCE:**

None

**17. Declarations of Interest**

There were no declarations of interest.

**18. Minutes of the Previous Meeting**

The Minutes of the Meeting held on Wednesday 13 September 2017 were accepted in accordance with the amendment to Minute No. 12, External Auditors Report to those charged with Governance, paragraph 2.

Mr Bush advised that the assumption used in the calculation of the pension liability fell within KPMG's acceptable range.

**19. Internal Audit**

**a) Annual Audit Letter**

Mr Andrew Bush of KPMG presented the Annual Audit letter which summarised the progress of the audit process for the financial year 2016/17. It reiterated the key conclusions of the Auditors' Report on the 2016/17 Accounts and the Report to those Charged with Governance, both of which were considered by the Corporate Governance Group on 13 September 2017.

Mr Bush concluded that no significant issues had arisen during the 2016/17 financial year.

**It was RESOLVED that** the Annual Audit letter be received and noted.

### **b) Internal Audit Progress Report**

Chris Williams of RSM (Risk Assurance Services), the Council's internal auditors provided the first progress report for the financial year 2017/18. The report showed the current position on the audit programme along with any significant recommendations with regards to the audits completed during this period. This report highlighted the completion and issuing of three reports:

Green Waste – This was awarded reasonable assurance with one medium priority identified in relation to reconciliation of garden waste stickers. Mitigating action has been agreed by management and a weekly reconciliation is now being completed

Review of the Arena Project – This was an advisory review with no opinion issued

Procurement of IT Equipment – This was awarded substantial assurance

With regards to the remaining programme, two assignments are currently in draft, with final versions due to be reported at the next meeting in February 2018. The remainder of the audit plan is due to be completed over the next four months.

**It was RESOLVED that** the Internal Audit Progress Report be noted.

## **20. Health and Safety Interim Report**

The Health and Safety Advisor delivered a presentation and report of the Council's Health and Safety Six Monthly Update Report for the six-month period 1 April 2017 to 30 September 2017.

The report provided information on the Council's progress towards achieving health and safety targets. The Health and Safety Advisor advised that since the start of the reporting period she could confirm that further Emergency First Aid training had been completed and this was now up to 100%. The Health and Safety Advisor also confirmed the Council's Work Place Health Champions had been awarded the Nottinghamshire's Workplace Health Silver Award in June 2017, which was 12 months earlier than had been anticipated.

Members of the group considered the report and asked several specific questions about long term absence and whether the accidents incurred were serious injuries and whether they had been reported to the HSE. The Health and Safety Advisor explained that the nature of the injuries were not serious, however because they involved manual workers it was not always possible for them to return to work quickly, however the injuries reported were not of a serious enough nature that required reporting to the HSE.

Members of the Group asked how the Council kept up to date on any changes in Government Legislation. The Health and Safety Advisor noted that it was her remit to keep Health and Safety legislation up to date and that she attended regular Health and Safety Group meetings with all Nottinghamshire authorities and received regular email updates on changes in Government Legislation.

Members of the Group asked about the to the accident statistics for Leisure Centres and raised concerns at the high recording of public accidents at Cotgrave Leisure Centre. The Executive Manager – Transformation and Operations advised that the Leisure Centre Health and Safety statistics were regularly monitored at the Performance Management Board and added that Nottinghamshire County Council provides a youth club at Cotgrave Leisure Centre and this may have affected number of incidents reports. The Executive Manager added that she would obtain more detailed information from Parkwood and provide an update for the next meeting of Corporate Governance Group on the matter.

The Chairman and members of the Group praised the Health and Safety Advisor for the progress she had made against the health and safety goals and objectives previously agreed by the Group for the year 2017/18.

**It was RESOLVED that:**

- a) the information contained within the Health and Safety Report be noted.
- b) More details on accident statistics at Cotgrave Leisure Centre be provided for the next meeting of the Corporate Governance Group.

## **21. Risk Management Review Update**

The Group considered the report of the Executive Manager – Operations and Transformation that provided a progress report on activities associated with updating the Council's Risk Register and work relating to the council's emergency planning and business continuity functions.

The Executive Manager advised that there were currently 34 corporate risks, three more than on the last report. The number of operational risks had decreased by three from 32 to 29 and that the number of risks within the register would naturally fluctuate throughout the year as active risk management was undertaken. The Executive Manager provided examples of the risks that had been removed and amended, highlighting that the industrial units at Cotgrave would be fully let by January 2018, providing an income of £123,000 a year for the Council. The Executive Manager advised that a challenge was to ensure sufficient car parking at Rushcliffe Arena and that monitoring of the car park was ongoing with the results remaining stable. It was noted that there were plans to extend the car park at Rushcliffe Arena within the Council's Capital Programme.

The Executive Manager updated the group on Emergency Planning and advised that a move to critical plans and checklists had been made as part of a review of the Corporate Emergency Plan and that the Council's Emergency Planning officer was leading on the Local Resilience Forum in her job at

Nottinghamshire County Council. The Executive Manager noted that two further multi-agency exercises were being planned, a two-day flood exercise in February 2018 and a week-long air crash investigation exercise in May 2018 to check the resilience of the plans.

A page in the report was missing and it was agreed to bring the report back to the next meeting.

**It was RESOLVED that:**

- a) the report be noted.
- b) A complete version of the risk management report is submitted to the next meeting of the Corporate Governance Group.

## **22. Treasury Management Update – Mid Year Report 2017/18**

The Group considered the report of the Executive Manager – Finance and Corporate Services which provided a summary of the Treasury Management activities of the Council for the period 1 April to 30 September 2017.

The Executive Manager outlined the key areas of the report and advised that Growth in the UK economy had slowed with the Bank of England increasing the Bank base rate by 0.25% to 0.5% on the 2 November 2017 and that inflation was expected to remain at around 2.75% for the foreseeable future. It was noted that Arlingclose (the Council's Treasury Management advisors) expected the base rate to remain at 0.5%, but advised that the negotiations on the UK exiting the EU continued to create uncertainty over monetary policy decisions with economic growth consequences still unclear. It was anticipated that the uncertainty created by the UK leaving the EU would continue to impact on economic growth during the second half of 2017 and in to 2018.

The Executive Manager provided information on investment income and advised the Group that the Council had budgeted to receive £271,900 in investment income in 2017/18. The actual interest earned to 30 September 2017 totalled £137,300 with total receipts for the year expected to be £284,300. It was noted that interest receipts were slightly higher than anticipated due to additional cash being held as a result of delays in the implementation of some projects as part of the Council's Capital Programme.

Members of the Group asked several specific and detailed questions on the Council's Asset Investment Strategy accepting the new Treasury Code should improve transparency. The Executive Manager noted that there was an item on Asset Investment Strategy in the next Budget workshops for Councillors scheduled during December 2017.

**It was RESOLVED that** the Treasury Management update position, as at 30 September 2017 be noted.

## **23. Revenue and Capital Budget Monitoring 2017/18 – Quarter 2 Update**

The Group considered the report of the Executive Manager – Finance and Corporate Services which provided information on the Council's budget

position for both revenue and capital budgets as at 30 September 2017. The report highlighted the purchase of the new investment property at Bardon and the benefits and risks associated with it.

The Executive Manager – Finance and Corporate Services advised the group that currently there were projected Revenue and Capital budget savings for the year made up of £193,000 revenue efficiencies and £7,439,000 from capital scheme re-phasing as well as from identified potential savings. It was recommended that the Group considered making a recommendation to Cabinet to remove £5.75m from the 2017/18 Capital programme, as provisions for the original schemes at Land North of Bingham and RAF Newton were no longer required.

Members asked about the wording around in the report regarding the removal of £5m from Bingham. The Chairman referred to appendix C of the report advising that the funding would be provisionally reallocated in the 2018/19 programme. Appendices D and E of the report focused on the new property investment at Bardon giving further transparency.

**It was RESOLVED that:**

- a) the projected revenue and capital budget positions for the year of £193,000 revenue efficiencies and £7,439,000 from the capital scheme re-phrasing and potential savings be noted.
- b) it is recommended to Cabinet that £5.75million for the Land North of Bingham and RAF Newton be removed from the 2017/18 Capital Programme and reference to Appendix C in the recommendation.

**24. Review of the Constitution – Task and Finish Group Update**

The Deputy Monitoring Officer provided a verbal progress report on the Work Programme and progress of the Constitution Task and Finish Group, advising that progress was good and ahead of schedule. There have been two meetings of the Finish and group since the last meeting of Corporate Governance Group and the Deputy Monitoring Officer advised that a draft version of the revised constitution had been produced and would be shared with all Councillors via a series of workshops. It was proposed that following the workshops the revised Constitution would be considered by the Corporate Governance Group, and Cabinet and presented at Council in March 2018.

**It was RESOLVED that**

- a) the work of the Constitution Task and Finish Group be noted.
- b) That the group's recommendations on the revised Constitution be progressed via
  - i. Workshops for all Councillors during the third week in January 2018.
  - ii. Corporate Governance Group consultation February 2018
  - iii. a Report to full Council on 1 March 2018.

## 25. Work Programme

The Group considered its Work Programme

**It was RESOLVED that:**

- a) an additional meeting of the Corporate Governance Group be diarised in the eventuality that the agenda of the next meeting is not completed, to consider the recommendations of the Constitution Task and Finish Group.
- b) the Work Programme be noted, as detailed in the table below, be approved.

<b>Date of Meeting</b>	<b>Item</b>
8 February 2018	<ul style="list-style-type: none"><li>• Internal Audit Progress Report 2017/18</li><li>• Pension Update from Nottinghamshire County Council</li><li>• Constitution update</li><li>• Risk Management Report</li><li>• Treasury Management Strategy 2018/19</li><li>• Revenue and Capital Budget Monitoring</li><li>• Certification of Grants and Returns – Annual Report 2016/17</li></ul>
10 May 2018	<ul style="list-style-type: none"><li>• External Audit Plan 2018/19</li><li>• Internal audit Progress Report 2017/18</li><li>• Internal Audit Strategy 2018/19</li><li>• Risk Management Update</li><li>• IT Update</li><li>• Revenue &amp; Capital Budget Monitoring</li><li>• Information Governance</li></ul>

The meeting closed at 9.05pm.

**Action Sheet****CORPORATE GOVERNANCE GROUP - TUESDAY 5 DECEMBER 2017**

<b>Minute Number</b>	<b>Actions</b>	<b>Officer Responsible</b>
18	Amend Minutes of previous meeting as per committee resolution.	Constitutional Services
20	Details on accident statistics at Cotgrave Leisure Centre be provided for the next meeting of the Corporate Governance Group	Executive Manager – Operations and Transformation/ Health and Safety Advisor
21	A complete version of the risk management report is submitted to the next meeting of the Corporate Governance Group	Executive Manager – Finance and Corporate Services
25	An additional meeting of the Corporate Governance Group be diarised in the eventuality that the agenda of the next meeting is not completed.	Constitutional Services in Consultation with the Chairman of the Corporate Governance Group.