

# Audit Panel

Tuesday, 5th August, 2008

## MEETING OF AUDIT PANEL

Members present: Councillors Lavery, Mullaghan, Rodgers and Rodway;  
and Dr. Smith.

In attendance: Mr. T. Salmon, Director of Corporate Services;  
Mrs. H. Louden, Head of Financial Services;  
Mr. A. Wilson, Head of Audit, Governance and  
Risk Services;  
Mr. A. Harrison, Acting Corporate Assurance  
Manager;  
Mrs. G. Ireland, Corporate Risk and Governance  
Manager;  
Mr. N. Malcolm, Committee Administrator; and  
Mr. S. Knox, Local Government Auditor.

### Election of Chairman

The Panel agreed that Councillor Rodgers be elected Chairman of the Audit Panel.

Councillor Rodgers thanked the Members for his election.

(Councillor Rodgers in the Chair.)

### Apologies

Apologies for inability to attend were reported from Councillors Ekin and Kyle.

### Minutes

The Minutes of the meeting of 27th June were taken as read and signed as correct.

### Annual Accounts 2007/2008

The Director of Corporate Services reminded the Panel that, at its meeting on 27th June, it had noted the contents of a report regarding the Council's accounts for the period 2007/2008, which had been approved by the Strategic Policy and Resources Committee at its meeting on 20th June. He indicated that, subsequent to those meetings, he had received correspondence from the Land and Property Services Agency which indicated that the amount which the Council would receive in rates for the financial year 2007/2008 would be £4.1 million less than had originally been estimated by the Agency and that this amount would be recouped from the Council by Land and Property Services later in the year. This overpayment would have significant consequences for the Council's Annual Accounts for 2007/2008 and might result in them having to be restated, although he was awaiting information in this regard from the Chief Local Government Auditor.

The Director indicated that he had written in the strongest possible terms to the Chief Executive of the Land and Property Services Agency pointing out the detrimental impact which this would have and enquiring as to whether the processes which had resulted in this error would be carried forward to the 2008/2009 year. He pointed out that this was not the first occasion that Land and Property Services had calculated wrongly the amount of money which the Council could expect to receive.

In answer to Members' questions, the Director of Corporate Services indicated that by reducing the Council's Reserves by £4.1 million would reduce considerably the amount of money which the Council had in reserves and, should a similar situation arise in the 2008/2009 financial year, the Reserves would be exhausted. He assured the Members that the matter would be discussed by the Strategic Policy and Resources Committee at its meeting on 22nd August. He informed the Panel that five other local authorities within Northern Ireland were in a similar position to Belfast in so far as they owed the Agency money, although Belfast would have to repay the largest amount.

During discussion in the matter, the Panel expressed its concern at the serious consequences for the Council's Reserves resulting from the error made by the Land and Property Services Agency and the effect which it would have on the Council's spending decisions in the current financial year and on the level of rates which would have to be levied in the next financial year.

The Director of Corporate Services indicated that he would keep the Audit Panel informed as to the situation.

Noted.

### **Staff Travel Policy**

The Panel considered the undernoted report:

#### **"Relevant Background Information"**

**A report was tabled at the 11 March 2008 meeting of the Audit Panel advising Members that a taskforce group had been established to Review the Approval and Control Processes and Travel Policy with the following objectives:**

#### **Objectives**

- 1. To review current approval and control processes and the travel policy**
- 2. To identify improvements to both processes and policy which matches the new financial systems, takes account of the human resources strategy and workforce development plan's needs and which provides for continuous improvement**

3. To ensure that the new processes enable improved access to information which enables improved on-going scrutiny of value for money and greater accountability, both internally and externally.

A progress report was tabled at a meeting of the Audit Panel on 13 May 2008. The Audit Panel requested that the proposed policy be tabled for approval at this meeting.

### **Current Position**

Members of the Audit Panel will be aware that Belfast is by far the largest Council in Northern Ireland. In order to provide quality, value for money services to the ratepayers of the city employees need to have their knowledge and skills developed to help build organisational capacity. Training and developing staff is also important in motivating employees and in retaining their knowledge and skills in the organisation.

Included within the Council's workforce development plan are the key themes of leadership development, skills development and organisational development. These reflect the key workforce development themes at a national level.

Frequently employees need to look outside Northern Ireland to access these improved skills and knowledge. This is done by going on study visits to similar sized Councils in Great Britain, attending training courses, conferences and seminars which are not available in Northern Ireland. These new skills and knowledge can be transferred to other employees in the Council which may reduce the need for other staff to attend an event.

Employees also travel outside Northern Ireland to promote the city as an excellent place to invest in and to attract tourism. There is evidence to support the substantial economic returns for the city in engaging in this type of activity.

The Council has successfully attracted in excess of £8million in European funding to support a number of initiatives which would not otherwise benefited the city. It is mandatory in most European funded projects to attend meetings in Europe and to have European partners to compliment the work of an initiative. The travel costs to Europe and the cost of any employees attached to a project are partly funded by the programme.

There is a risk associated with being too restrictive with staff travel with employees not attending relevant conferences, study visits, etc with the result that 'best practice' knowledge and new skills are lost to the Council with the associated risk of ratepayers not receiving innovative quality services.

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The Council currently has an authorisation process for staff attending events and many services also require employees to detail a business case to support their application and a post evaluation report on completion of the event. These procedures were examined and good practice identified for inclusion in the proposed draft Policy for Staff Attending Events, which is attached.

In summary it has addressed the following issues:

1. The scope covered by the policy, including what is excluded from the policy.
2. The principles that must be adhered to for employees attending events. This includes a mandatory business case to support an application and a post evaluation of the benefits.
3. The arrangement for travel which are set out in a Travel Protocol.
4. The need to capture multiple invitations to conferences, seminars, etc which are routinely received by the Council.
5. The approval process and the signing off by senior management.
6. The arrangements for the payment of subsistence.
7. The annual publication of staff attendance at events and a policy detailing what will be included.
8. The reporting arrangements to the Audit Panel and the Strategic Policy and Resources Committee and to the Chief Officers Management Team.

**Resource Implications**

None in the context of this report.

**Recommendation**

The Audit Panel is requested to recommend that the Strategic Policy and Resources Committee approve the Policy for Staff Attending Events and the associated appendices.

**Key to Abbreviations**

None

### Documents Attached

Draft Policy for Staff Attending Events and associated appendices.

### DRAFT POLICY FOR STAFF ATTENDING EVENTS

Belfast City Council employees will, from time to time, need to attend events such as training courses, conferences, study visits, etc., in order to discharge their duties. This could result in an employee being absent from normal working and may involve travel and other costs.

We have developed this policy to support the Council's Standing Orders, Financial Regulations and Accounting Manual relating to employees attending events. It has been developed to ensure that approval and control processes are robust and that attendance at such events provides value for money for the rate payers of Belfast.

#### 1.1 Scope

This approval and control process is for all events which senior management have to approve and addresses the need to ensure consistency between types of events covered in this policy with the categories of events specified on the application form. This will include attendance at:-

- Conferences as a speaker representing the Council or a delegate.
- Study visits.
- Personal/professional development events (excluding part-time study)
- Service and operational visits
- Research, study and best practice visits
- Promotion of the City events and Trade Fairs
- Best in Class award ceremonies
- Meetings of professional bodies and groups where payments are paid by BCC even where it is refunded partly or in full by the body to the Council.
- Other bodies with which the Council is undertaking work and is directly chargeable by the Council to the customer.

Exclusions from this process are:-

- Business development days (away days) as they will be subject to a separate policy and application form.
- Attendance at residential courses as part of a part-time study course which will be approved through the part time study application process.

- **Attendance at meetings of professional bodies and groups where the full attendance cost is paid directly by the body concerned or reimbursed directly to the attendee. Approval to attend such events must be requested as a business absence for employees who use the clockwise system.**
- **Attendance at conferences/courses/study visits and meetings which have no cost to the Council. Approval to attend such events must be requested as a business absence for employees who use the clockwise system.**
- **Attendance at a corporate meeting or training course organised by another Council Department. (If there is a charge from an external source e.g. venue, speaker, etc then a purchase order must be raised through the SAP system in advance of the event).**

## **2.0 Principles**

- 2.1 Attendance at all events must be supported by a business case detailing the benefits to the employee, to the Council and in providing services to the public.**
- 2.2 A post evaluation form for every event must be completed.**
- 2.3 Attendance at events will normally be by one person. If more than one person is attending this must also be justified in the business case.**
- 2.4 If an employee is attending an event as a speaker representing the Council any fee earned must be repaid to the Council. If payment is in the form of a gift the Gifts/Hospitality Policy must be complied with. Any potential conflict of interest must be registered.**
- 2.5 Personal development/professional development events must be linked to the employee's job and will normally be part of the employees Personal Development Plan (PDP) and/or a professional body's requirement for Continuing Professional Development (CPD). An employee who is a member of professional body which has CPD requirements must ensure that these are incorporated into his/her PDP.**
- 2.6 Attendance at award ceremonies must be restricted to three employees. In instances where more than one project is shortlisted in the same award scheme and more than three employees are required to attend the Director of Corporate Services will exercise discretion in deciding if sending additional employees is appropriate.**

2.7 Any event which is also to be attended by a Councillor must have Committee approval prior to the event.

3.0 Travel Arrangements

3.1 Travel to an event must conform with the current Travel Protocol which can be found at Appendix 1.

4.0 Capture of Multiple Invitations to Events

4.1 Multiple invitations to conferences, seminars, etc., are received within the Council regularly.

4.2 A Protocol will be developed to set out how the Council will deal with this issue.

5.0 Approval Process

5.1 All attendances at events, including those approved by Committee, must be approved in advance of the event by the Head of Service (or appropriate senior manager), or their nominee and the Chief Officer (or nominee).

5.2 All requests to attend events must be accompanied by a business case detailing the benefits to the employee, the Council and in providing services to the public.

5.3 Where there are multiple requests to attend an event Heads of Service (or appropriate senior manager), or their nominee, and Chief Officers (or nominee) must satisfy themselves that a sound business case exists to approve the attendance of more than one person.

5.4 A post event evaluation form must be completed for each event and signed off by the senior manager who approved the attendance at the event.

5.5 The Director of Corporate Services will approve attendances for Chief Officers for events held within the United Kingdom and the Republic of Ireland.

5.6 The Chief Executive will sign the approval form for attendances by Chief Officers for events held outside the United Kingdom and Ireland.

5.7 The Director of Corporate Services will sign the approval form for all events to be attended by the Chief Executive

5.8 Financial Services will be responsible for maintaining the data base for all requests for attending events, in monitoring compliance with the policy and in providing information to assist in corporate management.

6.0 Subsistence

6.1 Subsistence is payable on eligible expenditure incurred in the course of attending events on behalf of the Council. Details on the arrangements for payments are covered in Appendix 3.

7.0 Publication

7.1 Information on events attended by staff will be published on an annual basis by 30 June of each year under the Council's Publication Scheme. The first year of publication will relate to events attended during 2008/9 i.e. the first date for publication will be 30 June 2009.

7.2 A policy detailing the arrangements for the publication of information is attached at Appendix 4.

8.0 Reporting Arrangements

8.1 COMT will receive an analysis report on the information held in the database every three months.

8.2 A quarterly report will be provided to the Strategic Policy and Resources Committee via the Audit Panel.

9.0 Guidelines

9.1 The application of this Policy is supported by Guidelines.

10.00 Effective Date

10.1 The effective date of this policy is 1 October 2008.

APPENDIX 1

Draft Travel Protocol for Employees

Belfast City Council employees will, from time to time, need to travel to attend events in order to carry out Council business. As a consequence they may have to travel away from Council locations.



This travel protocol has been developed to support the Council's Standing Orders, Financial Regulations and Accounting Manual regarding staff travel in relation to attending events. It has been developed to ensure that arrangements for travel are robust and consistent across the Council and that the cost of travel provides value for money for Belfast rate payers.

**1.0 Scope**

- This protocol applies to all employees of Belfast City Council. The travel protocol for Members' is covered by Regulations made by the government.
- It applies to travel relating to events as specified in the Policy for Staff Attending Events.
- It does NOT apply to travel which is part of normal day-to-day operational work e.g. from the place of work to carry out maintenance, inspections, etc.
- It does NOT apply to travel from the employee's home to their place of work.

**2.0 Principles**

- 2.1** Approval for travel to attend events will be through the revised application form. This approval process includes permission to travel on Council business as detailed on the revised application form. Details on how to seek such approvals are in the Policy for Staff Attending Events and in the guidelines for completion of the revised application form.
- 2.2** Approval to attend an event with the associated travel must be completed in advance of the event.
- 2.3** In certain instances approval by Committee is needed. This must also be obtained in advance.
- 2.4** Employees must use the most economical method of travel considering the cost of travel, journey start and end times, subsistence costs, potential savings in officer time and the business needs.
- 2.5** Account must be taken of the particular needs which may arise from an employee's medical condition. Management should obtain advice on this from the Council's Occupational Health Service.
- 2.6** When employees are travelling with Members to the same event the travel class, etc., for the employee and Member will be the same.

- 2.7 Employees must not gain any personal and private advantage from business travel. Any rewards for example points, vouchers, air miles, free travel, etc., should be used solely against future business travel wherever possible and not for private use.**
- 2.8 Travel and accommodation should be booked and paid for directly by the Council in most instances. The exception to this is when these costs are paid directly by an outside body.**
- 2.9 The payment of overtime or time off in lieu must comply with the relevant Council's policy and guideline on such matters.**
- 2.10 All travel should reflect the Council's Policy on Environmental Responsibility.**
- 2.11 When travel arrangements do not meet this protocol the Director of Corporate Services must be consulted in advance of arrangements being made so that approval may be given.**
- 3.0 The Council's Travel Contract**
- 3.1 The Council's travel contract should be used to book travel and accommodation. The cost effectiveness of other options may be considered if there is a clear business case for making savings. Booking with Council's contracted travel agent provides assistance and support that non-contract options do not provide and this should be considered as part of the overall cost. Consideration must be given to the total cost which includes the cost of an employee's time in sourcing suitable carriers and hotels.**
- 4.0 Travelling by Air**
- 4.1 The most economical level of ticket must be booked, taking into consideration the requirement of principles 2.4 and 2.5 above.**
- 4.2 Tickets booked must not allow for more than two changes. It may be more cost effective to re-purchase a second ticket rather than allow for time changes when booking. For example it may be cheaper to book with a budget airline and have to re-purchase a ticket than to book a flexible ticket through another airline.**
- 4.3 The lowest available class of ticket must be booked.**

- 4.4 Where an outward long-haul flight (for example in excess of 3 hours flying time) is needed and employees are expected to start working within a few hours of arrival a return business class (or equivalent) ticket may be booked.
- 4.5 Business lounge access may be purchased if available when there is a 'stopover' of more than one hour and the class of travel booked does not include access to an airport business lounge. The Council's contracted travel agency can advise on this.
- 5.0 Travelling by Sea
- 5.1 Travel by sea and onward by road or rail as opposed to air travel is only an option where the total cost provides a low-cost alternative or where medical opinion requires it. The total cost including the cost of travel, hotel costs, subsistence costs, and mileage, must be taken into account when assessing this option. Consideration must also be given to the potential savings in officer time and the business needs.
- 5.2 Where available boat reserved seating may be booked. Employees travelling overnight are entitled to book an overnight cabin which must be on a 'single occupancy' basis.
- 6.0 Travelling by Land
- 6.1 The most appropriate method of travelling by land must be used taking into consideration the overall cost, potential savings in employee time and the business case.
- 6.2 An employee's own private car may be used if it provides a low cost option. Motor mileage will be claimed under the Council's arrangements for subsistence. An allowance is paid if an employee carries colleagues on business. This may be significantly cheaper than public transport or hire car charges.
- 6.3 A vehicle may be hired provided it is a value for money alternative. This may be appropriate if a number of employees are travelling together or where public transport is unavailable.
- 6.4 Rail travel must be at standard class unless the journey is greater than 2 hours. A first class ticket may be booked where employees are expected to start work on arrival or to work during the journey.

- 6.5 Where available rail reserved seating may be booked. Employees travelling overnight are entitled to book an overnight cabin which must be on a 'single occupancy' basis.
- 6.6 Travel by Heathrow Express must be at standard class and only undertaken where it is the most appropriate means of travel considering cost, potential savings in employee time and the business case.
- 6.7 Employees are permitted to use a taxi for short journeys within towns and cities for example from hotels to conference venues or airports. They may also use taxis for longer journeys where no suitable public transport service is available. These costs are claimed retrospectively through the Council's subsistence arrangements.
- 7.0 Overnight Stays
- 7.1 Employees may travel to an event the previous evening when an event starts early in the working day or the employee anticipates that travel time or risk of delay would result in their arriving late for the start of the event, and if this reduces the value of attending the event to the employee and the Council.
- 7.2 Employees are responsible for settling all accounts for incidental costs before leaving the accommodation. The Council will only meet the cost of the accommodation and any meals previously ordered from the accommodation supplier through the purchasing process.
- 8.0 Extending Stays Beyond an Event
- 8.1 Employees are permitted to extend their stay beyond an event, either before or after. For absences during the working week this must be approved in advance by their line manager and in line with normal leave procedures.
- 8.2 If the travel cost for the extended stay is greater than it would have been if the employee had returned at the end of the event then the employee will reimburse the Council for the additional cost (or pay for the additional cost directly to the carrier). If the travel cost is less for the extended stay the employee will not benefit from the lower cost.
- 8.3 Any additional accommodation costs will be borne by the employee.

8.4 Any other additional costs, for example additional car parking charges, will be paid by the employee.

9.0 Travelling with Partners

9.1 A partner may accompany an employee provided they do not compromise the employee in carrying our Council business.

9.2 The employee will be responsible for all additional costs associated with the partner's attendance. Evidence must be provided to the relevant business support staff that these additional costs have been paid. Ideally this should be prior to the commencement of the travel.

9.3 The approval of a senior manager must be obtained in advance of an employee arranging to be accompanied by a partner.

10.0 Subsistence

10.1 Subsistence is payable in arrears on eligible expenditure incurred in the course of attending events on behalf of the Council

10.2 In certain circumstances advance subsistence may be made available.

10.3 Details for the arrangements for all subsistence, including what is eligible, are covered in the Council's Subsistence Guidelines.

11.0 Insurance

11.1 Where an employee's own vehicle is to be used it is the employee's responsibility to make sure that there is a proper level of insurance. The Council will not meet any additional costs for insurance. Whilst the employee will wish to consult their own insurer general advice may be sought from the Council's Insurance Unit.

11.2 Whilst there is no need for employees to advise the Insurance Unit in advance of individual trips, anyone who has an existing medical condition and who intends to travel on Council business should advise the Insurance Unit. This information will be treated confidentially. Any employee intending to engage in dangerous sports as part of the official visit must inform the Insurance Unit in advance of the visit.

11.3 Details of the insurance cover provided to Council employees travelling on Council business is attached at Appendix A. This will be updated annually to employees on renewal of the insurance policy.

12.0 Miscellaneous

12.1 The cost of car parking at airports or stations can be recouped from the Council under the subsistence arrangements. Employees must minimise costs by using the most cost effective option available.

12.2 Employees are personally responsible for ensuring that their passport and any visa requirements are up to date to enable them to travel.

12.3 An employee who is refused permission to travel by a carrier, for whatever reason including invalid or missing documentation, will repay all costs arising to the Council.

12.4 Employees travelling outside the United Kingdom are responsible for exchanging sterling to the required foreign currency. The Council will meet the cost of one exchange transaction from sterling to another currency and one exchange back to sterling for the same visit. The value of the amount exchanged will not exceed the total amount of subsistence to which the employee would be eligible for the visit. Where the official business involves time in more than one foreign country (other than onward travel time) the Council will meet the exchange costs for each currency on the same basis.

12.5 The Council will not meet the cost of repairing a mechanical breakdown and/or vehicle recovery for an employee's own vehicle.

12.6 Any compensation offered by a carrier to an employee, for example, for delayed travel or over-booking, must be declared to their Department on return. Where the compensation involves a monetary payment or future concession on travel these must be paid over to the Council in full as they arise solely from the employee's official work. The employee will be eligible to recoup subsistence costs for the period of any delay in the normal manner.

13.0 Effective Date

13.1 This protocol will be effective from 1 October 2008.

## APPENDIX 2

### Travel Insurance

All Council employees and Councillors are covered under the Council's Group Travel Insurance Policy in respect of official Council business and conferences.

The policy covers matters such as:

- Loss of baggage and personal items.
- Medical costs for treatment outside the UK.
- Cancellation costs if the person cannot travel due to illness, death of close relatives or other unforeseen circumstances.
- Personal liability insurance.
- Personal accident cover

The insurance applies in respect of trips outside of the Northern Ireland for visits worldwide.

### Emergency Contact Information

Assistance is available in the event of a medical or other emergency whilst visiting another country from AIG Lifeline Plus. The telephone number is given on the insurer's emergency travel assistance card which is available from the Insurance Unit. It is strongly recommended that a card or copy of it is issued to each person travelling on Council business.

The policy number is *00158 11055* and this must be inserted on the card to validate it.

The travel insurance policy does not provide cover for:-

- Personal valuables such as jewellery and watches and personal money which should be insured by the member of staff under household insurance.
- Hazardous sports activities such as skiing, mountaineering, parachuting etc.
- Vehicle insurance for vehicles hired or borrowed.

### Claims

In the event of a loss it is important that certain information is obtained by the person travelling to enable a claim to be made at a later stage. If baggage has been lost a report should be obtained from the carrier stating that the baggage has been lost or delayed. If flights have been delayed necessitating overnight accommodation please retain any receipts for emergency expenses and obtain a report from the carrier that the flight has been delayed.

For further information please contact – David Smith (Insurance Officer)

Financial Services Section  
Adelaide Exchange  
24 Adelaide Street  
Belfast  
BT2 8GD  
DDI 028 9027 0517 or Ext 6111  
smithd@belfastcity.gov.uk

### APPENDIX 3

#### Draft Subsistence Arrangements

Belfast City Council employees will, from time to time, need to travel to attend events in order to carry out Council business. As a consequence they may travel and incur expenses which are recoverable under our subsistence rules.

These subsistence guidelines have been developed to support the Council's Standing Orders, Financial Regulations and Accounting Manual. They have been drafted to ensure that claims and payments for subsistence are consistent across the Council.

#### 2.0 Scope

- These arrangements apply to all employees of Belfast City Council. The subsistence arrangements for Members' are covered by Regulations made by the government.
- They apply to food, beverages and incidental expenses which an employee incurs because of attending events as specified in the Policy for Staff Attending Events.
- It will also include reimbursement for travel and accommodation incurred directly by the employee. Payment of travel and accommodation will normally be booked and paid for by the Council in advance.

#### 2.0 Principles

- 2.1 A full completed application form must be approved prior to attending the event. The Central Transaction Unit (CTU) must be in receipt of the form to enable subsistence to be paid.



- 2.2 Subsistence will be paid in arrears for events attended within the United Kingdom and the Republic of Ireland. Advance subsistence will only be paid in exceptional circumstances.**
- 2.3 Advance subsistence may be requested for events attended outside the United Kingdom and the Republic of Ireland.**
- 2.4 Subsistence should be claimed within two weeks of an event. Claims submitted more than three months after an event may not be paid.**
- 2.5 Advance subsistence should be reconciled within two weeks of an event. Any money unspent should be refunded to the Council no later than two weeks after the event.**
- 2.6 All claims for reimbursement must be accompanied by valid receipts and claimed on the Council's claim form.**
- 2.7 Claims without receipts should rarely happen. Expenditure incurred where no receipt is available should be claimed using the 'Lost or Unobtainable Receipt Voucher'.**
- 2.8 Subsistence should not be claimed for any meals booked by the Council, for example breakfast, nor should they be claimed if meal(s) are provided by the organisers of the event. If an employee is taking guests for a meal they need to complete a Small Scale Hospitality Form.**
- 2.9 All claims for subsistence (advanced and retrospective reimbursement) must be made on the appropriate Council form and signed by the appropriate officer. (Currently E7/T2 which is being redrafted to simplify the claim and to improve processing.)**
- 2.10 The maximum level of subsistence which can be claimed are reviewed annually and issued to all Departments by circular.**
- 2.11 Claims for expenses outside these guidelines must be referred to the Director of Corporate Services so that approval may be given.**
- 2.12 The Director of Corporate Services will sign the subsistence claim forms for the Chief Executive and Directors.**
- 2.13 The Chief Executive will sign the subsistence claim form for the Director of Corporate Services.**

### 3.0 Eligible Expenditure

The following additional expenditure is eligible for reimbursement

- Fares paid for taxis, bus, tram, underground, metro, etc.
- Publications for Departmental use for example maps, guides, books.
- Photographic equipment for Departmental use for example memory cards, films, developing costs.
- Laundry and dry cleaning for trips lasting five days or more
- One personal phone call home per day of a reasonable length.
- All work related phone calls.
- The cost of stationery, fax, email, photocopying, internet usage, etc., which is work related.
- Parking at airports.
- Any other incidental cost which is directly related to the nature of the visit and the appropriate to the employee's job.

#### APPENDIX 4

### Policy on Publication of Information Relating to Employee Travel

To demonstrate the Council's commitment to accountability and openness, and following consultation with the trade unions, we intend to publish annually information on payments made to, and on behalf of, employees in connection with expenditure incurred on travel on official business which is outside of day-to-day operational duties.

The information will be published within three months of the end of the preceding financial year. Before publication, employees will have the opportunity to verify the accuracy of the information being published with their Department.

The published information will show each event and activity an employee attended and will include details of the:

- Employee's job title
- Employee's Council Department
- Employee's staff number
- Date(s) of the event or activity
- City/town and country in which the event or activity took place

- **Description of the event or activity (for example conference name)**
- **Category of the event or activity (categories to be defined by the organisation)**
- **Amount paid on travel**
- **Amount paid on mileage**
- **Amount paid on accommodation**
- **Amount paid on subsistence**
- **Amount paid on fees (for example conference fees)**
- **Total of any miscellaneous costs**
- **Total cost in respect of an employee's participation in that particular event or activity**

**This policy will be applied from 1 April 2008 and be reviewed annually by the Records Management Unit and, if appropriate, be amended by the Chief Officers' Management Team to reflect best practice."**

The Head of Financial Services drew the Members' attention to various aspects of the proposed Policy and answered questions regarding it. She informed the Panel that a further Freedom of Information request had been received requesting information regarding travel which had been undertaken by Members and staff during the financial year 2007/2008 and that this information was currently being compiled. She informed the Panel further that six months after the Policy had been introduced the Audit, Governance and Risk Section would undertake an audit to ascertain how the new Policy was being complied with.

During discussion in the matter, the following points were made:

- (i) no information had been provided regarding the number of occasions staff had travelled with Members to events and the associated costs;
- (ii) it would be more beneficial if reports were submitted on a quarterly basis to the Committee responsible for the Departmental staff who had undertaken the travel, rather than the Strategic Policy and Resources Committee;
- (iii) the report made no reference of any intention to reduce the costs associated with staff travel;
- (iv) the Policy should be amended to enable staff to recoup the costs associated with using ATM machines when abroad;
- (v) information regarding the length of the event being attended should be included in the information to be published;
- (vi) where possible personal development courses should be undertaken in Northern Ireland; and

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- (vii) where a member of staff was addressing a conference, who paid for the associated travel and accommodation costs and what approval processes were required to enable the employee to attend the conference.

In response to the above comments, the Head of Financial Services indicated that she would provide the Panel with information regarding the number of occasions staff had accompanied Councillors on trips and the costs associated therewith. She pointed out that when employees were addressing a conference they were required to submit the T1 travel form and that most personal development courses attended by staff were held within Northern Ireland.

Following further discussion, the Panel:

- (i) indicated that it wished the costs associated with staff travel to be reduced;
- (ii) agreed that reports on staff travel be submitted on a quarterly basis to the relevant Committee and the Audit Panel;
- (iii) agreed that the information contained within Appendix 4 include the duration of the event being attended;
- (iv) agreed that the Policy be amended to enable staff to recoup the charges incurred when ATM machines were used abroad; and
- (v) recommended that the Strategic Policy and Resources Committee approve the Staff Travel Policy as amended and the associated Appendices.

**Report by the Chief Local Government Auditor  
for the Year Ended 31st March, 2008**

The Director of Corporate Services informed the Panel that the Chief Local Government Auditor was required to produce an annual report which summarised, from his perspective, the key issues which had arisen in all of the local authorities in Northern Ireland. He indicated that the implications for the Council of the report were as follows:

<b>"Item</b>	<b>Area</b>	<b>Issues Raised in LGA Report</b>	<b>Implications for Belfast City Council (BCC)</b>
1	Management of Resources	Council loan positions – summary by Council as at 31 March 2007.  Reserves – that each Council give careful consideration to its level of reserves in the run up to RPA.	None – BCC loan position compares favourably with other smaller Councils – loans of £21.1 million (£18million of which recoverable from Northern Ireland Housing Executive).  None - reserves level proactively managed.

<b>Item</b>	<b>Area</b>	<b>Issues Raised in LGA Report</b>	<b>Implications for Belfast City Council (BCC)</b>
2	Financial Statements	Notes new regulatory requirements regarding preparation, approval and publication of statutory accounts. LGA note three other councils where accounts not acceptable.	None – Council complies with these regulations.
3	Code of Audit Practice	That they have prepared and consulted on a new audit code of practice.	None.
4	Financial Management Arrangements	That the LGA sends an annual questionnaire to councils asking them to set out key issues of good financial management, including corporate performance and corporate governance arrangements. LGA report notes the development by Belfast City Council of 'value creation maps' to set out its strategic aims.  The LGA raises no other specific issues in this section of the report.	None.
5	Analysis of Legal and Insurance Costs	The LGA review the extent to which organisations have reviewed their legal and insurance arrangements in recent years, including any tendering activity.	

Item	Area	Issues Raised in LGA Report	Implications for Belfast City Council (BCC)
5 <i>(continued)</i>		<p><b>Legal</b></p> <p>The LGA states that local government bodies are encouraged to introduce competition for the delivery of services but notes that “it is perhaps understandable that bodies would wish to continue with their present arrangements until the other side of RPA...however it would only be reasonable to argue for this position if the body is satisfied with the quality of service and the price paid.”</p> <p><b>Insurance</b></p> <p>The LGA asked Councils whether insurance cover was fully placed with the market or whether a form of self insurance was used.</p> <p>The LGA also noted that (in 06/07) some Councils had not tendered their insurance brokerage services.</p>	<p>BCC has an in-house legal service and also provides legal services to a number of other local authorities in Northern Ireland. It relies heavily on the quality and expertise provided by its Legal Services section. As such it is not proposed to review the current arrangements this side of RPA.</p> <p>The Council has a significant element of self insurance as it considers that this reduces the cost of premiums. Per a recent internal audit report on insurance an agreed action was that the Head of Financial Services would speak to the Director of Corporate Services recommending that insurance costs etc are reported annually to senior management and Members.</p> <p>At the time of the LGA review (2006/07) the Council had not recently tendered for brokerage services. However, during 2007/08 these brokerage services were tendered for and new brokers appointed, saving the Council approximately £60 - £70k per year in 08/09, 09/10 and 10/11. These savings have been factored into budgets.</p>

<b>Item</b>	<b>Area</b>	<b>Issues Raised in LGA Report</b>	<b>Implications for Belfast City Council (BCC)</b>
6	Corporate Governance	The report sets out the new regulations regarding corporate governance that became applicable to local authorities from 1 April 2007, mainly relating to internal audit, internal control and risk management. It also recommends that councils establish audit committees.	None. Belfast City Council has taken steps to comply with these regulations and has revamped its Audit Committee (Panel) during 2007/08.
7	National Fraud Initiative	<p>The Comptroller and Auditor General (C &amp; AG) has been given new statutory powers to conduct data matching exercises for the purposes of assisting in the prevention and detection of fraud. This involves matching sets of data, such as payroll and benefits records. Under the legislation the C &amp; AG may require local councils to provide data.</p> <p>That all public bodies are encouraged to keep under review measures to discourage fraud.</p>	<p>BCC has met with representatives of the C &amp; AG to ensure that it meets its statutory obligations in this regard.</p> <p>BCC has anti fraud and whistleblowing policies. These are regularly reviewed. During 08/09 the Audit Panel will be re-apprised of these arrangements.</p>
8	Data Protection	That, in the light of recent losses of data by public sector bodies, councils review their arrangements to comply with the Data Protection Act.	<p>BCC has recently reviewed these arrangements.</p> <p>A recent internal audit of compliance with the computer use policy has been completed. The scope of this review covered aspects of data protection.</p>

**Audit Panel,  
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Item	Area	Issues Raised in LGA Report	Implications for Belfast City Council (BCC)
9	Value for Money studies	The report simply notes that the Chief Local Government Auditor has statutory powers to undertake VFM studies and that one such study was completed in January 2008 – absenteeism (see below).	See below
10	Absenteeism in NI Councils 2006/07	The LGA report summarises the detailed report on absenteeism in Northern Ireland Councils 2006/07, including a comparison of rates of different councils (as at 2006/07). It comments on the cost of absence. It notes that the LGA will review this area again in the year 2007/08.	The Council has recently reviewed its attendance policy and monitors and reports on absenteeism on a regular basis.
11	Use of Statutory Powers	The auditor used his statutory powers at two Councils (not Belfast). An overview of the cases is provided but no detail regarding lessons learned / actions that other councils should take.	None.
12	Review of Public Administration	The LGA reports on the importance of how councils deal with capital expenditure and the use of reserves in the run up to RPA. The auditor notes that, in due course, he expects the DoE to bring forward legislation and guidance to assist the handling of such matters.	BCC is actively involved in a number of groups looking at the implications of the Review of Public Administration and the issues of capital expenditure and financial planning (linked to the use of reserves) will be key issues that will need to be managed.



<b>Item</b>	<b>Area</b>	<b>Issues Raised in LGA Report</b>	<b>Implications for Belfast City Council (BCC)</b>
13	Waste Management Issues	<p>The Northern Ireland Landfill Allowance Scheme (NILAS) came into operation from 1 April 2005 and is designed to ensure that the amount of Biodegradable Municipal Waste sent to landfill by each council is reduced by setting limits. The report notes the challenges that councils face in taking appropriate steps to avoid being in the position of incurring penalties. The report also notes the need for Councils to include in their accounts a provision to meet the closure and aftercare costs of former landfill sites.</p>	<p>Belfast City Council is part of arc21, the regional waste management body. One of arc21's objectives is to enable Member Councils to comply with their Waste Management responsibilities by providing access to infrastructure which demonstrates best value by delivering quality services, achieving economies of scale, managing risk and complying with environmental legislation.</p> <p>The Council also has established arrangements for monitoring its performance against NILAS targets and arrangements for promoting recycling, including a communication plan and home visits to inform and engage householders.</p> <p>However the risk of incurring penalties is a serious one and has been reflected in the Council's annual governance statement.</p> <p>Regarding landfill closure the Council has a repairs and renewal fund which includes provision for the closure of the Dargan Landfill site.</p>
14	Long Term Loans without matching assets	<p>That a council had taken out loans over a 15-40 year period for their landfill site but the site was now closed with over 20 years of loan repayments still to be made. The report highlighted the importance of economic appraisals to support loan sanction requests to DoE</p>	<p>Not applicable to BCC.</p> <p>The need for a policy for economic appraisals has been identified for BCC and appraisals must take place where projects are to be funded by loans (where loan sanction requests are sent to the DoE).</p>

**Audit Panel,  
Tuesday, 5th August, 2008**

Item	Area	Issues Raised in LGA Report	Implications for Belfast City Council (BCC)
15	Issues arising during LGA audits	<p>The report includes reference to a large number of disparate issues raised in LGA audits at various councils, including:</p> <ul style="list-style-type: none"> <li>• Mobile phone use / telephony</li> <li>• Recognition of long service</li> <li>• Appointment of staff to council funded bodies</li> <li>• Contribution to an arms length body</li> <li>• Inspection of car insurance details</li> <li>• Payment to employees</li> <li>• Landfill debtor</li> <li>• Market income</li> <li>• Tendering procedures</li> <li>• Asset verification</li> <li>• Stocktake</li> <li>• Trading accounts</li> <li>• Carry over of leave</li> <li>• BACS payments</li> <li>• Expenses (receipts)</li> <li>• ICT systems</li> <li>• Conferences / courses (policy)</li> <li>• Contract estimates</li> <li>• Related party disclosure</li> <li>• Land disposal</li> <li>• Age of debtors</li> <li>• Suspense accounts</li> </ul>	<p>In summarising the issues arising during audits at all the local authorities in Northern Ireland, the LGA has identified a long list of areas where issues arose. Some of these are of a very specific nature to a particular council; some of the issues have a potential 'read across' to all councils.</p> <p>Some of the areas noted, such as use of mobile phones and tendering are due to be subject to an internal audit during the current year and many others, such as market income and stocktake have been subject to audit reviews in the recent past.</p> <p>Given the range of issues raised we will be writing to Directors, Heads of Service and Business and Finance Managers to ask them to read this report and consider the implications of these issues (if any) for their particular area of work."</p>

The Director of Corporate Services informed the Panel that the Chief Local Government Auditor's report was circulated to Chief Officers, Heads of Service and business and finance managers for information and that the report was used to benchmark the position within the Council.

Following discussion in the matter, the Panel noted the implications for the Council of the Chief Local Government Auditor's report.

Chairman