



GOVERNANCE COMMITTEE

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

17 JANUARY 2013

PRESENT

Councillors M.C.R. Graham MBE (Chairman)
G. Bush, J. Douglas and, M. Gordon

As Observer

Councillor P.M. Chandler

Chief Executive
Performance and Information Management Officer
Senior Democracy Officer
Admin Assistant

G.50. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors, A. Freer-Jones, S. Lumley, V. Manderson, J.T. Orson, M.R. Sheldon and N. Slater.

G.51. MINUTES

The Minutes of the Meeting held on 20 December 2012 were confirmed and authorised to be signed by the Chairman subject to the following two amendments being rectified:-

- (1) To record Councillor M. Gordon's attendance at the Meeting of 20 December 2012.
- (2) Rewording of G.41. was requested by a Member at the Full Council Meeting on 12 December 2012. The Paragraph G.41. to read as follows:-

'A Member on the Development Committee enquired about a sibling being employed by an applicant of a Planning application, which was some time ago and prior to the new arrangements for filling in an Interest Form at the following Full Council meeting, if this would now need to be added.

The Chief Executive confirmed that if the Councillor felt happier filling in a Form, then she should do so.'

G.52. ARRANGEMENT FOR SPEAKING AT DEVELOPMENT COMMITTEE

The Chair informed Members that the Head of Regulatory Services has compiled two papers to provide Members with recommendations and advise on the implications. The resolution will be brought back to the Governance Committee at its Meeting scheduled for 28 March 2013

G.53. DECLARATIONS OF INTEREST

There were no declarations of interest received.

G.54. RECOMMENDATIONS FROM OTHER COMMITTEES

There were no recommendations received from other Committees.

G.55. UPDATE OF DECISIONS

The Chief Executive submitted a report (copies of which had previously been circulated to Members) which provided an update on decisions from previous Meetings of the Committee.

In relation to Item 5(G.46 (2012/13) clarification is still being sought to determine whether the role of Panel is to support or scrutinise the Police and Crime Panel. The Chief Executive will liaise further with colleagues at Leicestershire County Council to get the observation clarified and will feedback at a future meeting.

G.56. INTERNAL AUDIT PERFORMANCE REPORT QUARTER THREE

The Head of Welland Internal Audit Consortium submitted a report (copies of which had previously been circulated to Members) which allowed Members to monitor the performance of the Welland Internal Audit Consortium in delivering the Council's Internal Audit Services, predominately a key role of the Council's Audit Committee.

Appendix A to this report identified the impact of staffing difficulties on delivery in the first half year. However, with effect from the 2 January 2013, the Welland Internal Audit Consortium now has a full compliment of staff and they will continue to utilise Audit Contractors in order that the Annual Audit Plan gets delivered. The Consortium is looking to engage with six Audit Contractors and have recently sourced a specialist ICT Audit Contractor and three suitable "generalists".

The Annual Audit Plan requires 20 audits to give assurance about the Council's overall control and risk management arrangement. To date six Audits have been completed. Details of the progress on the Annual Audit Plan can be located at Appendix A 2.1 to this report.

RESOLVED that the report be noted.

G.57. PUBLIC SECTOR INTERNAL AUDIT STANDARDS

The Head of Welland Internal Audit Consortium submitted a report (copies of which had previously been circulated to Members) to advise of the likely impact of the new Public Sector Internal Audit Standards which come into effect from 1 April 2013. The new Standards will impact on the way internal audits happen and will affect this Committee directly by acquiring a more engaged role. The Standards specify a requirement for “effective communication” between the Head of Consortium and the Governance Committee on the risk and assurance requirement. In this context “effective communication” refers to the engagement of the Committee’s Membership and of the Chair in particular. It was identified that the two specific areas for which a greater level of engagement is required is:

- (1) The Chair being consulted as part of the Head of Consortiums performance;
- (2) The Committee consider proposals for the Consortium to undertake a significant consultancy work not already included in the Annual Audit Plan.

The most fundamental change introduced by the Standards is the requirement to commission periodical reviews of the effectiveness of internal audit by an independent external assessor. The Standards also specify reviews will be conducted to encompass both the activities of the Consortium and those of the Governance Committee.

The Annual Audit Plan will illustrate the implications and risk of these new Standards.

Members expressed an interest in being involved and overseeing the methodology of compiling an Audit. The Head of Consortium agreed to this and will liaise on dates. During this discussion it was noted that the Committee had received Risk Management training before the meeting which would be useful context for this exercise.

RESOLVED that the report be noted.

G.58. INTERNAL ANNUAL AUDIT PLAN 2013/14

The Head of Welland Internal Audit Consortium submitted a report (copies of which had previously been circulated to Members) to advise Members of a change in the planned schedule for approving the 2013-14 Annual Audit Plan and the reason for change which will mitigate the risk of criticism, by the Council’s External Auditors.

RESOLVED that Members endorsed the planning approach outlined and acknowledged the requirement to approve the resulting Internal Audit Plan 2013-14 at the Meeting on 28 March 2013.

G.59. FREEDOM OF INFORMATION POLICY

The Head of Communications submitted a report (copies of which had previously been circulated to Members) to provide for a refreshed Freedom of Information Policy. This report was presented by the Performance and

Information Management Officer in the absence of the Head of Communications.

The Council's original Freedom of Information Policy had needed refreshing to take account of subsequent Regulations, most recently those relating to Open Data and Transparency. The refreshed Policy rewording also accommodates the Environmental Information Regulations 2004 more fully, as requests under these Regulations have increased since the Freedom of Information Act came into effect in January 2005.

RESOLVED that:-

- (1) The refreshed Freedom of Information Policy be adopted to ensure continued compliance with the law and allow for the compliance with Open Data and Transparency Regulations.
- (2) The Head of Communications be given delegated authority to revise the policy in future in line with current legislation and best practice.

G.60. CODE OF CONDUCT – UPDATE ON PROGRESS

The Monitoring Officer submitted a report presented by the Chief Executive in the absence of the Monitoring Officer (copies of which had previously been circulated to Members) to update the Committee on the latest position with regard to standards matters including the Code of Conduct, the Registration of Disclosable interests and any complaints dealt with under the new system.

Mr Len Tempest was introduced to the Meeting as an Independent Person to the Council and had been invited to the Meeting as a member of the public; the other Independent Person being Mr. Gordon Grimes.

3.1 Registration of Disclosable Interest

It has been noted that Members have adopted and are utilising the new shortened version of the Registration of Interest Forms for a disclosable interest not included on their initial form. The forms are available from Committee Administrators at the Council and Committee Meetings. It was reiterated that these forms need to be completed and returned to the Monitoring Officer within 28 days of the Members being aware of the interest as stipulated by the new Localism Act.

3.2 Code of Conduct – Parish Councils

The Council is continuing to working with Parish Councils to adopt the new Code of Conduct and helping publish their Parish Councillors' registration of disclosable interests' forms to their website or Melton Borough Council's site.

3.3 Complaints Process

This new process has been applied to the four complaints received to date. One of these complainants has indicated that they wish the matter to be progressed further and a meeting of the Governance Committee is be convened specifically for this purpose. Training will be provided to Members prior to the hearing.

RESOLVED that the report be noted.

G.61. AWARD OF MERIT SCHEME: REVIEW OF SCHEME AND REVISED TERMS OF REFERENCE

The Head of Communications submitted a report (copies of which had previously been circulated to Members) and was presented by the Councillor M. Gordon on behalf of the Award of Merit Task Group. At the meeting of 27 June 2012, it was requested that the current Mayor's Award Scheme be refreshed and reviewed. The report presents the Task Group's recommendations following its meeting on 26 November 2012.

Melton Borough Award and Mayor's Award of Merit

Clarification was sought to the interpretation of the word '*assist*' on Item 4 of the Proposed Terms of Reference:-

4. Nominations for awards be made via a Borough Councillor or direct to the Council (a Councillor cannot refuse to *assist* a nomination).

Members of the Committee agreed to replace the word assist with submit.

There was some discussion with regard Item 7. Councillors on the Award of Merit Task Group may not support a candidate they have nominated. The Chief Executive confirmed that the process is open and transparent; the Councillor will not be required to leave the meeting, purely not take part in the discussion.

RESOLVED that:-

- (1) The revised Terms of Reference of the Award of Merit Task Group as set out at Appendix A of the Report be approved, subject to the rewording to replace the word "assist" in Paragraph 4 with the word 'submit' as set out above.
- (2) The record of previous awards be published on the Council's website and a hard copy be available in the Members room in recognition of energy saving and green initiatives.

G.62. URGENT BUSINESS

There was no urgent business.

The meeting which commenced at 6.30 p.m., closed at 7.10 p.m.

Chairman