



GOVERNANCE COMMITTEE

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

23 NOVEMBER 2015

PRESENT

Councillors P M Chandler (Chairman)
P. Faulkner, M. Glancy, E Holmes, J. Illingworth,
J T Orson, M.R. Sheldon, J Simpson

AS SUBSTITUTE

Councillor J.B. Rhodes for Councillor V.J. Manderson

Mr. T. Hann, PriceWaterhouseCoopers (Outgoing External Auditor)
Ms. H. Henshaw, Ernst Young (Current External Auditor)

Head of Central Services, Head of Communications & Monitoring Officer
Head of Welland Internal Audit Consortium
Senior Democracy Officer

G33. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bains and Manderson.

G34. MINUTES

- (a) The Minutes of the last meeting held on 28 September 2015 were confirmed and authorised to be signed by the Chairman.
- (b) The minutes of Governance Sub Committee 1 held on 12 August 2015 were noted.
- (c) The minutes of Governance Sub Committee 2 held on 18 August 2015 were noted.

Matters arising from the Minutes of 28 September 2015

Minute G29 – Election and Electoral Registration Update

The Chair stated that Councillor Glancy had volunteered to be part of the Boundary Review Sub Committee and this brought the number allocated to the Sub Committee to the total required being 5 Members. This was seconded and on being put to the vote the motion was carried.

Minute G30 – Code of Conduct Update

Councillor Holmes stated that she was not happy at the cost of Member complaints in terms of Member and Officer time as well as the cost of investigations.

There was a discussion around the complaints process and it was noted the Localism Act had introduced the current arrangements which encouraged the public to make a complaint when they were dissatisfied with a Member's actions but left the Council with no sanctions and only censure available. The first stage allowed for informal resolution which Members felt was an improvement on the previous regime especially as the Member had the opportunity to be involved. However some Members felt that the Monitoring Officer should be able to determine whether a complaint was not worthwhile pursuing which would save time and effort and not give false hope to the complainant. The Monitoring Officer advised that this was not the current process and she did not have such a delegation. The Independent Person role was praised as providing an external view which helped Councillors in their decision-making.

The Monitoring Officer advised that the costs involved the time of 3 Officers as well as in the case of complaints referred for investigation, the cost of the Investigating Officer which she estimated could be up to £5,000. She advised there had been more complaints against Parish Councillors than Borough Councillors before the Borough Elections this year and there were less complaints in total since then. She further advised that the process had to be followed and in the case of a Member having resigned or being no longer in the role, it was for the Committee to close the complaint not herself.

It was mentioned that £5,000 was a lot of money to spend on this process and the Monitoring Officer advised that this was not always necessary and it was up to the Members of Governance Sub Committee 1 whether or not they referred a complaint for investigation.

Councillor Rhodes suggested that the process could be reviewed by a small group of Members to see if the workload could be reduced and proposed that the Monitoring Officer bring a report to the next Committee meeting with a mandate for this purpose. This was seconded and on being put to the vote the motion was carried.

RESOLVED that

- (1) Councillor Glancy be part of the Boundary Review Sub Committee and this brought the number allocated to the Sub Committee to the total required being 5 Members;
- (2) there be a report to the next Committee meeting on setting up a Sub Committee or Task Group to review the Member complaints process.

G35. DECLARATIONS OF INTEREST

Councillors Orson and Rhodes each declared a personal interest in any items related to Leicestershire County Council due to their positions as County Councillors.

G36. RECOMMENDATIONS FROM OTHER COMMITTEES

There were no recommendations from other Committees.

G37. UPDATE ON DECISIONS

The Update on Decisions was submitted by the Monitoring Officer on behalf of the Chief Executive (copies of which had previously been circulated to Members) and was updated as follows :-

- Item 1 Fraud Log – Update noted
- Item 2 Protective Marking – Update noted
- Item 3 Housing Benefit processing etc – Update noted
- Item 4 Internal Audit Member Training – Completed
- Item 5 Election and Electoral Registration

With regard item 5, it was noted that Councillor Glancy had taken up the final place on the Sub Committee and that the Boundary Commission had published its proposals for Leicestershire County Council and its districts and the consultation was open until mid-January. Therefore it was noted that the Sub Committee would need to meet to consider the Council's position and respond to the consultation before it closed.

- Item 6 Constitution Update – Completed

The Chair advised that the stamp duty issue that was raised at the last meeting was under investigation and there would be a report to the next Community and Social Affairs Committee and also possibly to this Committee.

RESOLVED that the Update on Decisions document be updated as listed above.

G38. ANNUAL AUDIT LETTER 2014/15

Mr. Hann of PriceWaterhouseCoopers, the External Auditor, submitted the Annual Audit Letter for 2014/15 (copies of which had previously been circulated to Members) which provided a high level summary of the results of the 2014/15 audit work undertaken at Melton Borough Council.

Mr. Hann advised that the auditors had made an unqualified audit opinion conclusion, an unqualified value for money conclusion and advised there were no areas of concern.

There were no questions raised by Members.

RESOLVED that the Annual Audit Letter 2014/15 be noted.

The Chair welcomed Ms. Helen Henshaw from Ernst Young, the Council's new External Auditors, to the meeting.

(Mr. Hann here left the meeting.)

G39. INTERNAL AUDIT UPDATE

The Head of the Welland Internal Audit Consortium

- (a) submitted a report (copies of which had previously been circulated to Members) which updated the Committee on progress made in delivery of the 2015/16 Annual Audit Plan and other matters relating to the delivery of an effective internal audit service;
- (b) referred to Appendix A providing details of the 2015/16 Audit Plan and updated Members on progress. She advised that 47% of the Audit Plan was completed and they were on track to deliver the plan by the end of the financial year;
- (c) stated that the audit of the Wheels to Work scheme had been finalised since the last meeting. She advised that this was the first audit of the service and it was concluded that the service was well managed and there were a number of areas of good practice. There were some areas for improvement identified and 8 recommendations were in place to manage these and she would report back the committee on progress;
- (d) advised that the Implementation of Audit Recommendations showed an improved picture and 20 actions had been implemented since the last meeting which meant 74% of those actions due in the period were completed;
- (e) drew Members' attention to the 2 high priority areas outstanding and which were overdue for over 3 months and related to updating the Business Continuity Plan and the process for informing facilities and ICT of partners leaving employment. These were set out on page 9 of the report and had recently been updated by managers.

The Chair referred to the Business Continuity Plan and advised that the Lead Officer was involved in other high priority areas including the Local Plan. She was concerned that this outstanding work went back to 2013 and considered that the Officer needed support to ensure this was completed.

The Head of Central Services suggested this should be an area of focus and would take the issue back to Management Team to help with resolution. She advised that the Head of the Welland Internal Audit Consortium would be presenting the audit tracking report to the next Management Team meeting and this would open up the discussion. She advised that it was useful to have the Committee's feedback on this matter.

There was also a suggestion of bringing in help from outside. It was noted that there had been many changes of key staff in the Regulatory Services section which had also created extra workload onto the Lead Officer.

Councillor Orson proposed that Management Team consider the issue and the Leader and Deputy Leader be involved in setting the way forward. This was seconded and on being put to the vote, carried.

Councillor Holmes stated that there were no health and safety issues raised at the last meeting of the Joint Staff Working Group and yet this was raised as an issue in this report.

The Head of the Welland Internal Audit Consortium explained that a number of Council sites had been visited and reviewed as to procedures in place and whether training was up to date etc. She stated that the design of the framework was good but compliance was not evidenced. Since the report, many actions had already been completed and officers had given assurance that the remainder would be actioned by the deadlines in early 2016. She said she would keep the Committee updated.

The Head of Central Services advised that full copies of all limited assurance audit reports were available in hard copy in the Members' Room and any individual report could be emailed to a Member on request.

RESOLVED that

- (1) with regard to the outstanding action of updating and communicating the Business Continuity Plan, Management Team consider the issue and the Leader and Deputy Leader be involved in setting the way forward;
- (2) the report and progress made by the Internal Audit team in delivery of the Audit Plan be noted.

G40. **ANNUAL REPORT ON EQUALITY AND DIVERSITY**

The Head of Central Services

- (a) submitted a report (copies of which had previously been circulated to Members) which updated the Committee on the progress made by the Council to embed Equality and Diversity within service and policy development and delivery, work undertaken to meet its public sector equality duty as required by equality legislation but more importantly to deliver services which are accessible and meet the needs of Melton residents;
- (b) drew Members' attention to a correction at paragraph 3.9 of the report where it stated that 'it had been agreed to provide funding'. She advised that this was not the case and a bid for funding was included in the budget process and it would be up to Members whether the Council provided funding to the Leicester LGBT Centre for 2016/17.

Councillor Orson stated that it was a good report and supported the recommendations with an amendment at recommendation 2.2 that the delegated authority to the Head of Central Services include 'in consultation with the Lead Member for Equalities' and that the structure of Committees in the future include the Lead Member for Equalities on this Committee and this change in arrangements take place next May when Committee seats were reviewed at the Annual Meeting.

This was seconded by Councillor Sheldon and on being put to the vote, the motion was carried.

RESOLVED that

- (1) the updated proposed Single Equality Scheme at Appendix A be noted;
- (2) delegated authority be given to the Head of Central Services in consultation with the Lead Member for Equalities to update the Single Equality Scheme with any comments received from the Council's Management Team and submit the scheme to Full Council for inclusion in the Council's Constitution;
- (3) the proposed Action Plan at Appendix B aimed at delivering on the Single Equality Scheme be noted;
- (4) this Committee supports the decision of the Equality Steering Group (ESG) not to pursue the Local Government Improvement and Development revised standards for their Peer Assessment Review;
- (5) the structure of Committees include the Lead Member for Equalities on this Committee and this change in arrangements take place in May 2016 when Committee seats were reviewed at the Annual Meeting. As this was a constitutional change, this be referred to Full Council for adoption.

(Ms. Henshaw left the meeting during the debate on the preceding item.)

G41. **COMMUNITY GOVERNANCE REVIEW**

The Head of Communications submitted a report (copies of which had previously been circulated to Members) which advised Members of a request for a Community Governance Review by Eaton Parish Council and of the key issues associated with such a review.

Councillor Rhodes moved the recommendation and Councillor Holmes seconded, on being put to the vote Members were unanimously in favour therefore the motion was carried.

RESOLVED that a Community Governance Review of the Eaton Parish Council area be undertaken.

G42. **POLITICAL GROUP MEMBERSHIP**

The Monitoring Officer submitted a report (copies of which had previously been circulated to Members) which responded to Councillor Orson's query at the meeting of the Full Council held on 14 October 2015 when considering the Welland Independent Remuneration Panel's report on the review of the non-administration Group Leader(s) allowance, which was set out below :-

'...Councillor Orson stated that it was important to have a strong opposition but questioned whether two Members really constituted a group. He asked Mr.

Cade if, during its next review, the panel would consider a minimum number of Members for a group. Mr. Cade replied that this was not an issue for the panel to consider but for the Council to determine; a minimum of two Members was considered the norm.

The Chief Executive advised that when the Political Groups' Regulations were initially introduced, it did state that a minimum of two Members would constitute a group for the purposes of the legislation. However, she undertook to check that this was still the position and confirmed that a report would be made to the Governance Committee in response to Councillor Orson's query.'

The report stated that Paragraphs 8(1)(a) and 8(2) of The Local Government (Committees and Political Groups) Regulations 1990, indicated that at least two Members were needed to form a political group and the Council had followed this legislation in its political group arrangements.

Councillor Orson requested that the Chief Executive be thanked for the report.

RESOLVED that the legislation relating to political group membership be noted.

G43. **CODE OF CONDUCT UPDATE**

The Monitoring Officer submitted a report (copies of which had previously been circulated to Members) which updated the Committee on the latest position with regard to standards matters including the Code of Conduct, the Registration of Disclosable Pecuniary Interests and Other Interests and any complaints against Councillors dealt with under the Council's process.

Members were concerned that there were 2 outstanding Parish Councillor DPI forms to be received and asked if there were powers to disqualify those Parish Councillors.

The Monitoring Officer explained that regular reminders were sent to the Parish Clerks and to the individuals concerned and if the forms were not forthcoming, then ultimately it was a matter for the Police as it was a criminal offence to not declare disclosable pecuniary interests.

It was felt that the Councillors should be given a final deadline.

RESOLVED that the update on the position of standards matters including Parishes' Registration of Disclosable Pecuniary Interests and Other Interests and complaints against Councillors dealt with under the provisions of the Localism Act be noted.

G44. **CONSTITUTION UPDATE 2015 16**

The Monitoring Officer submitted a report (copies of which had previously been circulated to Members) which requested the Committee to consider constitutional items and those approved be referred to the Council for adoption and incorporation into the Council's Constitution.

The Committee considered several new Delegations to Officers related to the Discretionary Business Rates Grant Scheme and the Anti-social Behaviour, Crime and Policy Act 2014. Those connected to the Anti-social Behaviour, Crime and Policy Act 2014 were also previously approved by the Community and Social Affairs Committee at its meeting on 18 November 2015.

RESOLVED that the following new Delegations to Officers be approved and referred to Full Council for adoption in the Constitution :-

- (a) To the Head of Communities and Neighbourhoods
In consultation with Head of Central Services to make any necessary changes to the Discretionary Business Rates Grant Scheme, that will improve the scheme to meet the purpose of providing targeted support to businesses.
- (b) To the Head of Regulatory Services
To authorise officers to utilise the powers under the Anti-social Behaviour, Crime and Policy Act 2014 commensurate with their role and responsibilities.
- (c) To the Head of Communities and Neighbourhoods
To authorise officers to utilise the powers under the Anti-social Behaviour, Crime and Policy Act 2014 commensurate with their role and responsibilities.
- (d) To the Head of Communities and Neighbourhoods
To designate External Agencies Officers (ie. Regulated Social Landlords dealing with ASB, housing issues) to utilise the powers under the Anti-social Behaviour, Crime and Policy Act 2014 commensurate with their role and responsibilities, where this be determined to be appropriate.

G45. URGENT BUSINESS

There was no urgent business.

The meeting which commenced at 7.00 p.m., closed at 7.50 p.m.

Chairman