



GOVERNANCE COMMITTEE

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

28 MARCH 2013

PRESENT

Councillors M.C.R. Graham MBE (Chairman)  
J. Douglas, M. Gordon, V. Manderson  
J.T. Orson, M.R. Sheldon, N. Slater

OBSERVER

Cllr P. Chandler, E. Holmes, J. Illingworth

Chief Executive  
Head of Communications  
Chief Accountant  
Senior Democracy Officer  
Performance and Information Management Officer  
Head of Welland Consortium  
PWC – Ben Connor  
Admin Assistant

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G.66. APOLOGIES FOR ABSENCE

Apologies for absence was received from Councillors A. Freer-Jones and G. Bush

G.67. MINUTES

The Minutes of the meeting held on 17 January 2013 were confirmed and authorised to be signed by the Chairman.

G.68. DECLARATIONS OF INTEREST

Cllr Manderson declared a personal interest in item 15 as she has endorsed applications and therefore will not take part in debate or vote.

Councillor Orson declared a personal interest in any item involving the County Council

G.69. UPDATE ON 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.

With respect to 'Police and Crime Panel Protocol – Overview and Scrutiny' concerning the role of the Partners supporting the Police and Crime Commissioner the Chief Executive reported these changes were dealing particularly with scrutiny matters, this is the purpose of the constitutional changes. Therefore, it was confirmed the Panel does have a role in supporting the Police and Crime Commissioner but not in relation to that.

**RESOLVED** that the report be noted.

G.70. EXTERNAL ANNUAL CERTIFICATION REPORT 2011/12

The External Auditor submitted a report (copies of which had previously been circulated to Members) which summarised the results of grant certification work undertaken for the financial year 2011/12.

The External Auditor, Ben Connor reported that he is the replacement Audit Manager as David Patterson has left the organisation. It was noted the Housing and Council Tax Benefit Scheme final claim figure has been amended from that originally submitted.

A Member sought clarity on the issue of errors listed on Appendix B. The Chief Accountant added that regarding the claim overall, the final audited figure has resulted in the Council being financially better off and action has since been taken to reduce the number of errors in this area.

**RESOLVED** that the report be noted.

G.71. EXTERNAL ANNUAL AUDIT PLAN 2012/2013

The External Auditor submitted a report (copies of which had previously been circulated to Members) which presented the 2012/13 audit plan which includes an analysis of key risks, the audit strategy, reporting and timescale.

Mr Connor drew Members attention to the scope of the audit and explained this is the outline of what audits will be carried out for the Council throughout the up and coming financial year for which the 3 key risk areas will be where the audit will be focused.

A Member asked how the figure for certification work has arisen and it was confirmed that the figure of £23,200 has been set by the audit commission for PWC. A breakdown by claim is to be submitted by the External auditor to the Head of Central Services.

**RESOLVED** that the 2012/13 plan be noted.

[Mr Connor here left the meeting]

## G.72. PUBLIC SECTOR INTERNAL AUDIT STANDARDS

The Head of Consortium submitted a report (copies of which had previously been circulated to Members) which updated Members about the impact of the new Public Sector Internal Audit Standards on the way that the responsibilities of the "Audit Committee" are discharged and on the steps being taken to support the Committee in the discharge of those responsibilities.

The Head of Consortium explained the background to the report and the key changes that relate to this, including the Chair of the Committee now has a role in assessing the outcome of his performance. It was suggested the development activities can be delivered through an hour session before the meeting or longer workshops.

A Member suggested a time slot before the meeting would be most effective as this would then be fresh in the Members mind for the meeting. The Head of Consortium informed this training will allow Members to be able to understand how to assess the reports and fully understand the meaning of them and an hour may not be sufficient time. Following a short debate it was agreed that the first training session will be held at 5 p.m. before the June meeting. It was confirmed that this training be open to all Members but will be more exclusive when training is required on the Chairman's responsibilities.

**RESOLVED** that

- (1) The report be noted;
- (2) The development activities might best be delivered so that the Committee can demonstrate it operates in conformity with the Standards is determined.

## G.73. INTERNAL AUDIT PERFORMANCE REPORT

The Head of Consortium submitted a report (copies of which had previously been circulated to Members) and explained that the purpose of the report was to allowed t Members discharging the role of the Audit Committee to monitor the performance of the Consortium in delivering the Council's Internal Audit service.

The Head of Consortium reported there is now a full team in place and that resources were available to get the Audit Plan back on track and to deliver the necessary work within specified time frames. It was reported that the findings of audit work to date had not identified any issues to give Members cause for concern. It was added that all the recommendations arising from the Cemetery Audit have been completed and there are now 3 outstanding recommendations being pursued

A Member questioned the paragraph of "the Welland Board.....September 2006 by in-house provision" for its relevance and it was agreed that this statement was no longer relevant and that future reports would provide the Committee more current assurance about the quality of internal audit work..

**RESOLVED** that

(1) The report be noted.

G.74. INTERNAL AUDIT PLAN 2013/14

The Head of Consortium submitted a report (copies of which had previously been circulated to Members) which allowed those Members discharging the role of the Audit Committee to approve the Annual Audit Plan for 2013/14.

The Head of Consortium reported that the Council's auditable risks for 2013/14 had been identified through an examination of Risk Registers and one to one discussions with Heads of Service and Corporate Management Team. A Member questioned whether IT will be monitored in the same way due to the transfer and it was confirmed that Internal Audit will be auditing the controls over IT. It was also noted that IT projects have been added to the Plan in order to align audit work with the work of the Transformation Board.

A further Member queried the number of days listed for 2013/14 in the Plan (232) in comparison to the number of days delivered in the previous year (172) and whether any work has not been completed in the last year. It was responded that the range of the audit work has been reduced in the current financial year, where appropriate, due to the level of resources available.

**RESOLVED** that the Audit Plan for 2013/14 be approved and noted.

G.75. REFRESHED PERFORMANCE REPORTING FRAMEWORK

The Head of Communications submitted a report (copies of which had previously been circulated to Members) which provided for a refreshed Performance Reporting Framework.

The Performance and Information Management Officer reported this report encompasses the work undertaken by the Performance Management Task Group over the last couple of years and aligns the Corporate Plan with the Performance Framework.

A Member questioned which Member is the lead on Performance and it was confirmed to be Cllr Graham who confirmed as such. It was noted staff feel more comfortable with performance as they are able to understand it more and be able to see how it all works together.

It was noted there was an error on page 17 as there is a reference to Assistant CE (CW) for which this will be amended as appropriate.

**RESOLVED** that

- (1) That the refreshed Performance Reporting Framework be adopted.
- (2) That the Head of Communications be given delegated authority to ensure the future revision of the Framework documents in line with legislation and best practice.

## G.76. UPDATE ON THE COUNCIL'S RESERVES

The Chief Accountant, on behalf of the Head of Central Services submitted a report (copies of which had previously been circulated to Members) which provided an update to members on the position with the Council's reserves, their purpose and why they are held with a view to enabling members to make better informed decisions on their use.

The Chief Accountant reported that in Government circles there have been many discussions on Council reserves and the use of these, before explaining the contents of the report. It was noted that the appendix to the report had been produced by the Audit Commission and has provided an opportunity to explain to this Committee the rationale behind the Councils Reserves and the background to these. It was added that the reserves are there for emergency purposes or to help fund items of a non-recurring nature including projects of a capital nature i.e. improvements to the housing stock and general fund assets.

A Member explained during budget discussions recently that the use of the New Homes Bonus money would be reviewed in the future with the aim of using more of it for its intended use on new housing.

The detail on money that has been received and spent in the last 3 years in terms of car parking contributions from developers was requested. It was responded that this information would be emailed to the Member outside of the meeting.

A further Member queried the adequacy of the balance on the LDF reserve. The Chief Accountant explained that this is based on the budgeted position before the outcome of the recent inspector's report was received and it was noted this will now need to be revisited.

A question was raised by a Member on the use of the Special Expenses Drain Repairs & Renewal Fund in relation to money not being utilised in a specific financial year and it was asked why nothing is done with this. The Chief Accountant reported that officers are questioning the use of the reserve as current work and plans for the cemetery are being carried out in a slightly different manner and this may negate the need for this reserve in the future. The appropriateness of this reserve will be considered as part of the budget preparation process for 2014/15 and if no longer required will be credited to the revenue budget. An additional question was asked on why the interest is 0% in the reserves but it was noted that it is more beneficial for the interest to be in the general fund to benefit the tax payer.

A Member referred to paragraph 3.3.3 (Special Expenses Working Balance) and asked that as the money hasn't been spent and why this is the Special Expenses Reserve being increased. The Chief Accountant replied that the minimum level of the working balance of £50k is maintained at this level which is based on past experience of one off and emergency expenditure charged to this reserve. The increase in the Special Expenses Reserve has been approved in recent years based on recommendations by the Town Area Working Group in order to fund one-off items of both a revenue and capital nature.

**RESOLVED** that the report be noted.

#### G.77. CODE OF CONDUCT UPDATE ON PROGRESS

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

The Head of Communications provided an update on the report to clarify that there are now two complaints currently active as opposed to one.

**RESOLVED** that the update on the position of standards matters including Parishes' Codes of Conduct, Registration of Disclosable Interests, etc and complaints dealt with under the new system are noted.

#### G.78. REVIEW OF THE COUNCIL'S CONSTITUTION 2012/13

The Monitoring Officer submitted a report (copies of which had previously been circulated to Members) for the Committee to consider amendments to the Council's Constitution for onward referral to the Council for approval as well as note changes to the Constitution approved by the Council since the last review.

The Chair requested the following four amendments :-

i. Appendix A1 – Officer Delegation

This delegation be amended to read 'To consider and make all decisions relating to Neighbourhood Plan in consultation with the Chair of the relevant Committee.'

ii. Appendix A8 – Contract Procedure Rules

The following be added where appropriate :-

'Within the Register of Contracts, there be a mechanism to flag up any time limited contract to allow enough time to provide continuous contractual cover'

iii. Appendix A10 – Single Equality Scheme

Paragraph 1.2 be amended to read 'The Scheme outlines, in a holistic way, the commitment and ethos of the council to promote equality in everything that it does – whether this is providing services, employing people, developing policies and communicating, consulting or involving people or procuring goods and services.'

iv. Appendix D – Calendar of Meetings

The Calendar of Meetings be amended to move the first PFA from 2 July to 10 July.

Members indicated their agreement to the report and amendments.

**RESOLVED** that

- (1) the proposed actions as set out at Appendix A and listed below in the number order that they appeared be agreed and be referred to the Council for adoption :-

- A1 Revised Officer Delegation to Head of Communities & Neighbourhoods to read as follows :-  
*'To consider and make all decisions relating to Neighbourhood Plan in consultation with the Chair of the relevant Committee.'*
- A2 Change to Deputy Proper Officer Provisions
- A3 Rename Development Committee to Planning Committee
- A4 Deletion of delegated function (3) of Appeals Committee
- A5 Procedure Rule 12.1(p) - Motions without Notice - Correction
- A6 Procedure Rule 13.4 – Timing for Speeches
- A7 Procedure Rule 10.6(e) – Correction
- A8 Revised Contract Procedure Rules including the amendment that the following be added where appropriate :-  
*'Within the Register of Contracts, there be a mechanism to flag up any time limited contract to allow enough time to provide continuous contractual cover'*
- A9 Role of Leader of the Opposition
- A10 Revised Equalities & Diversity Statement including the amendment to paragraph 1.2 as follows :-  
*'The Scheme outlines, in a holistic way, the commitment and ethos of the council to promote equality in everything that it does – whether this is providing services, employing people, developing policies and communicating, consulting or involving people or procuring goods and services.'*
- A11 Code of Conduct – clarification on paragraph 7(2) by LCC
- A12 Part 5 - Consequential Name Changes and current practical arrangements including updated Code of Conduct, Task Group Protocol, Minutes Procedure, Member Roles and Responsibilities, ICT Protocol for Members;

(2) the proposed amendments as detailed in paragraph 3.3 of the report and set out at Appendix B previously approved by this Committee be agreed for referral to the Council for adoption:-

- B1 Procedure Rule 22.2: Public Speaking at the Development Committee
- B2 Consultation Arrangements for Planning Applications;

(3) it be noted there had been four items approved for inclusion in the Constitution at Council Meetings in this Civic Year which are set out at Appendix C and are summarised as follows :-

- C1 Amendment to the Members' Remuneration Scheme
- C2 Amendment to the Petitions Scheme and removal of the E-Petitions facility
- C3 Transfer of Equalities and associated delegations to the Governance Committee
- C4 Police and Crime Panel – Overview and Scrutiny Arrangements – to lie with the Community and Social Affairs Committee and associated documents be added to the Constitution;

(4) the amended Calendar of Meetings for 2013/14 which moves the first PFA from 2 July to 10 July be agreed for referral to the Council for approval (Appendix D);

- (5) due to the Constitution being a living document there may be requirements for changes within the year. Therefore as well as the annual review, items will be referred to the Committee as required;
- (6) any change in legislation overrides the current wording of the Constitution and the Monitoring Officer has delegated authority to make amendments as required by the law. Therefore such legal consequential changes will be put in place immediately and reported to the Committee, and subsequently the Council, as soon as practicable thereafter.

G.79. AWARD OF MERIT SCHEME : AWARDEES 2012/13

The Head of Communications submitted a report (copies of which had previously been circulated to Members) which updated Members on the progress of the Scheme.

Following a short discussion a Member suggested a better approach to present the awards and a bigger injection of recognition should be to consider when the up and coming awards are recognised. The Head of Communications confirmed that she will liaise with the Member.

**RESOLVED** that

- (1) To approve the list of proposed awardees as listed in the exempt Appendix A.
- (2) To note that presentations will be made by the Mayor to the awardees at the Full Council Meeting on 24 April 2013.

G.80. URGENT BUSINESS

There was no urgent business.

The meeting which commenced at 6.30 p.m., closed at 7.50 p.m.

Chairman