



GOVERNANCE COMMITTEE

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

18 NOVEMBER 2014

PRESENT

Councillors M.C.R. Graham MBE (Chairman)
 G. Bush, P. Cumbers, J. Douglas, A. Freer-Jones, M. M. Gordon, V. Manderson,
 J.T. Orson, M.R. Sheldon, N. Slater

Head of Communications and Monitoring Officer
 Head of Central Services
 Internal Auditor – Local Government Shared Service (LGSS)
 External Auditor – PricewaterhouseCoopers (PWC)
 Governance Officer
 Admin Assistant

G.34. APOLOGIES FOR ABSENCE

There were no apologies for absence received.

G.35. MINUTES

Minutes of the Governance Committee - 22 September 2014

The Minutes of the Governance Committee Meeting held on 22 September 2014 were confirmed and authorised to be signed by the Chairman subject to the following amendments being incorporated:-

G.22. The External Auditors name 'Alison' to be replaced with her initials AB throughout this section of the Minutes.

G.22. Internal Controls

The Monitoring Officer agreed to seek advice and clarification from the Solicitor of the Council on the paragraph below to establish if there was a legal reason why this arrangement had ceased and feedback to this Committee:-

“Members mentioned in the past names were brought to Committee confidentially where debts were to be written off in order to check if Members were able to provide information that Officers were unaware of especially with regard to location if the person was unable to be traced”.

G.30. Task Groups

The sentence below is to be re-worded inserting the text illustrated in bold type.

Cllr Gordon questioned whether she could be on the **above two Task Groups** being an individual Councillor and the Monitoring Officer advised she would check the Task Group Protocol and advise the Members accordingly.

Minutes of the Governance Committee - 23 June 2014

The Minutes of the Governance Committee Meeting held on 23 June 2014 were agreed confirmed and authorised to be signed at the Governance Committee Meeting on 22 September 2014. However, there was a request for one further amendment to these Minutes:-

G.74. Declarations of Interests - Cllr M. M. Gordon did not declare a person interest at this Meeting, Cllr M. M. Gordon purely requested to have it noted that she was on Council Tax and Housing Benefits.

G.31. DECLARATIONS OF INTEREST

Councillor J. T. Orson declared a personal interest in any items relating to Leicestershire County Council due to his role as County Councillor.

G.32. RECOMMENDATIONS FROM OTHER COMMITTEES

There were no recommendations or reports submitted from other Committees.

G.33. UPDATE ON DECISIONS

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

The Chairman methodically went through each item on the report. In relation, to Item 10 - Standby and Emergency Numbers, Cllr Slater confirmed that he had received a detailed update from the Head of Communities and Neighbourhoods on the progress and that the proposed completion date for this item is the end of November 2014. There were no further matters arising

RESOLVED that the report be noted.

G.34. AUDIT COMMISSION FRAUD CHECKLIST

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which provided an update on the completed document "Questions for Councillors to support 2013 individual fraud briefings" which was circulated by the External Auditor at the meeting held on 22 September 2014 in support of the Protecting the Public Purse Briefing that was held.

At the Meeting on the 22 September 2014 a questionnaire was circulated to Members, the results of which have now been coordinated as requested and feedback has been sought from the relevant Service Areas and considered by Management Team.

Members were referred to the Completed Fraud Checklist featured at Appendix A. It is evident from the response that for a small Council, Melton manages its resources very well in relation to fraud prevention and detection.

All Members were unanimously in favour.

RESOLVED that the report be noted.

G.35. ANNUAL AUDIT LETTER 2013/14

PriceWaterHouse Coopers LLP, the External Auditor, submitted a report which provided a high level summary of the results of the 2013/14 audit work undertaken at Melton Borough Council.

The letter presented summarises the results of the External Auditor's work for 2013/14, detailed findings of the External Auditors work have previously been presented to the Governance Committee at its Meeting on 22 September 2014.

The report presented was very short, precise and contained no new additional information.

All Members were unanimously in favour.

RESOLVED that the report be noted.

G.36. INTERNAL AUDIT PERFORMANCE UPDATE

Internal Audit submitted a report (copies of which had previously been circulated to Members) to allow Members to monitor the performance of the Welland Internal Audit Consortium in delivering the Council's Internal Audit Service. This is a key role of the Council's Audit Committee.

Members were referred to Appendix A of the Report - Internal Audit Update. The Welland Internal Audit Consortium are making good progress at the time

the report was generated seven executive reports had been issued and a further two have now been finalised.

Internal Audit are currently reviewing options for resourcing the audit plans to enable them to meet their expected target of delivering at least 90% of the internal audit plans for 2014/15.

Members were then referred to Appendix 2 which clearly illustrates the progress on the Annual Audit Plan. Following consideration by the Council's Management Team the following verbal recommendation was made to the Chair and Committee to consider.

"That the two Vulnerable Family related audits be consolidated into one audit and the Strategic Management of Environmental Maintenance Assets be deferred until 2015/16, the days saved from the above proposed changes be allocated to auditing the key financial controls."

The recommendations were moved by Councillor Freer-Jones and Seconded by Councillor G Bush.

All Members were unanimously in favour.

RESOLVED that

- (1) The report be noted;
- (2) That the two Vulnerable Family related audits be consolidated into one audit and the Strategic Management of Environmental Maintenance Assets be deferred until 2015/16. The days saved from the above proposed changes (outlined in 2 and 3) be allocated to auditing the key financial controls.

G.37. INTERNAL AUDIT ON THE AUDIT PLANNING PROCESS FOR 2015/16

The Internal Auditor submitted a report (copies of which had previously been circulated to Members) to provide details of the intended process for the preparation of the 2015-16 Internal Audit Plan and seek Members engagement in the Internal Audit Planning process.

Senior Management and Members of the Committee will be invited to comment upon and approve the planning process for the Internal Audit Plan for 2015/16 at the Committee Meeting scheduled for 11 February 2015. Appendix A of this report outlines the proposed planning process for Members' views and considerations. This will allow the Committee to develop independent assurance about the quality of the Council's internal control framework.

All Members were unanimously in favour.

RESOLVED that the report be noted.

G.38. PERFORMANCE ON RAISING ORDERS

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) on the performance of raising orders across the Council.

Following the External Auditor's report on their review of the creditor's functions presented at 22 September Meeting, Members requested information be provided around performance and compliance against the Council's specified ordering process.

The Head of Central Services reported that performance monitoring is conducted at least twice per year by the Finance Team who analyse a month's data to identify invoices where an order should have been raised and the Service Area to which it applies. Member's attention was drawn to Appendix A which clearly sets out a breakdown of the 74 non-compliant invoices and the Service Area to which they are assigned to. The relevant Officers from the Service Areas highlighted were called to a Hot Spot Meeting with the internal Corporate Governance Group to discuss these performance issues.

This area will continue to be analysed and the findings will continued to be presented to the Corporate Governance Group.

All Members were unanimously in favour.

RESOLVED that

- (1) The report be noted;
- (2) An updated report be presented to Governance Committee after the May Elections 2015;
- (3) Officers continue to monitor the performance and any required scrutiny is undertaken by the Internal Corporate Governance Group.

G.39. GOVERNANCE COMMITTEE TRAINING SESSION

The Internal Auditor submitted a report (copies of which had previously been circulated to Members) to provide Members with updated training options, and to obtain approval for a revised programme of training.

Item 3.3 - where the report read short half hours sessions, it should actually read one hour sessions.

It was agreed that a training session on Corporate Governance be provided on the 11 February 2015 at 5.00 pm prior to the Committee Meeting the topic will cover the following areas:-

Corporate Governance

- * Good Governance Background
- * CIPFA/SOLACE Principles
- * Code of Corporate Governance
- * Annual Governance Statement Process

- * Risk Management
- * Internal Audit Role

Further training to be provided following the appointment of the new committee following the elections.

All Members were unanimously in favour.

RESOLVED that

(1) The report be noted;

G.40. PROTECTIVE MARKING

The Head of Communications submitted a report (copies of which had previously been circulated to Members) to provide for a system of Protective Marking compatible with the Government Approved scheme.

The Government Security Classification Policy (GSCP), replaces the Government Protective Marking Scheme (GMPS). It is a system utilised by Central Government bodies to formally indicate the sensitivity of documents or other information assets. A Member asked for the term 'asset' to be defined and examples were provided e.g. Server Area, computers as well as electronically held information or paper documentation.

Members were referred to Melton Borough Council's Protective Marking Scheme which is owned by the Corporate Management Team and will be maintained by the Monitoring Officer.

The aim of the protective marking scheme is to provide for a controlled, risk managed and safe system for rating and handling the sensitivity of information assets.

To provide for a formal mechanism to enable information assets to be classified.

To provide sufficient guidance to Officers of the Council to enable them to mark the information assets appropriately.

To provide a system for the management of information risk in relation to information assets.

To provide a system for the handling of breaches of the protective marking scheme.

The Council's Scheme fitted within the national framework.

All Members were unanimously in favour.

RESOLVED that

- (1) A system of Protective Marking for the Council be adopted based on the Protective Marking Scheme appended to the report.

- (2) That the Head of Communications as Monitoring Officer be given delegated authority to ensure the future revision of the system of Protective Marking in line with legislation and best practice be referred to Full Council for approval.
- (3) The Head of Communication instigate a programme of training for the use of the Protected Marking Scheme.

[Councillor Graham left the Meeting at this point].

G.41. EQUALITIES AND DIVERSITY ANNUAL REPORT

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which updated the Governance 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.

The Head of Central Services reported on the progress made during the current financial year and referred Members to the Equality and Diversity Action Plan featured at Appendix A which details the delivered improvement actions. A lot of ground has been covered this year considering the limited resources.

A Member requested to know where the objectives and actions on the Action Plan arose from. The Head of Central Services responded that the criteria has come from the checklist following a peer review.

Members were then referred to Appendix B which illustrated the progress that the Council has made in ensuring that staff employed by the Council feel that the Council is an employer of choice. The survey was conducted between October - December 2013 to which there was a response rate of 42%. Members were asked to note the traffic light colour in relation to the question 'During the past 12 months, I have experienced bullying or harassment at work' should actually be Amber and not Green.

Members were genuinely concerned that 10.1% of the staff feel that during the past 12 months they have experienced bullying or harassment at work.

The Head of Communications agreed to look into this issue and report back to the Committee. The Head of Communications reported that she is aware of one formal case.

RESOLVED that

- (1) The report be noted;
- (2) Members note the progress made in delivering against the actions identified in the Equality and Diversity Action Plan;
- (3) Members note the progress made in ensuring that staff feel that the Council is an employer of choice.

G.42. REVIEW OF THE AWARD OF MERIT SCHEME

The Head of Communications submitted a report (copies of which had previously been circulated to Members) for Members to consider the recommendations of the Award of Merit Task Group arising from its review of the scheme and how it operates for 2014/15.

Councillor Cumbers presented the report on behalf of the Task Group, the Task Group felt that the Award of Merit scheme should remain in place and be more proactively promoted to encourage nominations for both the Award of Merit and the Young Citizen Award. It was felt that the event should be a separate event, which all Councillors are invited to and it is not linked to a Council Meeting.

Councillor Orson expressed his thanks to the Task Group for their time.

Following a long discussion the following recommendations were agreed by the Committee:-

- 1) There be discussion with the Melton Times' on possible future collaboration with its Community Awards;
- 2) That more effort and resources be directed into raising the profile and prestige of the Award of Merit Scheme in accordance with the Task Group's suggestions and that the award ceremony be held as a separate event;
- 3) Publicity and promotion of the scheme to start in December with social media being used during the nomination process;
- 4) Awareness of the Young Citizen award be promoted through the Young Mayor role, the Lead Member for Youth and the officers' contact with young people;
- 5) The Task Group continue to monitor and review arrangements.

Although the above was agreed, Members were conscious of the cost and resources and there was discussion that with regard to item (2), it be a more low key event than is intimated and it be within the existing budget i.e. an afternoon tea type of event but separate to Full Council.

Also there was some confusion about Members being able to nominate people and it was mentioned that the rules around this be circulated to those on the Committee.

RESOLVED that

- (1) The report be noted and considered the Task Group's recommendations.

G.43. 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.

The Monitoring Officer informed the Committee that there are currently 16 complaints in progress which is relatively high. The Council are working closely in collaboration with the Independent Persons who have provided opinion reports on all complaints referred to Governance Sub Committee and have been involved in meetings with both Subject Members and the Monitoring Officer.

The Monitoring Officer is currently reviewing the Members Complaints Process which was originally set by Full Council in 2012. A report will be presented to a future meeting of this Committee.

All members were unanimously in favour.

RESOLVED that

- (1) The update on the position of standards matters including Parishes' Registration of Disclosable Interests and other Interests and complaints against Councillors dealt with under the provisions of the Localism Act be noted.

G.44. CONSTITUTION UPDATE 2014-15

The Monitoring Officer submitted a report (copies of which had previously been circulated to Members) which considered items relating to the Council's Constitution for onward referral to the Council for approval.

The Council's Management Team and Third Tier Officers Group are involved in updating their respective areas of the Constitution. Items presented in the report have been brought to the Committee's attention as soon as these have come to light to enable the Council's work to move forward and the Constitution to be as up to date as possible.

The recommendations were moved by Councillor Bush and Councillor Freer-Jones seconded. All Members were unanimously in favour.

RESOLVED that the Committee refer its recommendations to Full Council for approval and inclusion in the Council's Constitution:-

- (1) That item 11 be removed from the Policy, Finance and Administration Committee's delegations due to this function now being carried out by the Governance Committee and for clarity the Governance Committee's item 3 delegation be amended to include the words 'and approve' as set out below in red.

PFA Committee

Remove :

11. *To consider and approve the Council's Statement of Accounts.*

Governance Committee

Amend :

3. To review **and approve** the Financial Statements, External Audit opinion and report to Members and monitor Management Action in response to any issues raised.

(2). To agree the following additions, shown in red below, to the General Delegations in connection with Staffing Matters within Part 3 at page 5 of the Officer Delegations:-

<i>In consultation with Management Team, to approve minor additions to the staff establishment subject to :-</i>	Chief Executive
<i>(1) There being adequate budgetary provision OR</i>	
<i>(2) In each case the gross cost not exceeding £5,000 per annum when implemented AND</i>	
<i>(3) The total cost in any financial year not exceeding the sum of £20,000 AND</i>	
<i>(4) Members of the Policy, Finance and Administration Committee being informed of any such changes when updated copies of the Council's staff list are issued. (Annually in July)</i>	

- (3) (a) To agree the following new Officer Delegation to the Head of Communications in consultation with the Head of Central Services :-

When a Member or employee dies in service, to have discretion to waive overpayment of allowance or salary up to a maximum of £1,000.

(b) If this new delegation is approved, it be applied from 1 September 2014.

G.45. ELECTIONS AND ELECTORAL REGISTRATION UPDATE

The Head of Communications submitted a report (copies of which had previously been circulated to Members) to allow Members to consider and note the Elections performance and performance standards.

The Head of Communications advised Members that the Individual Electoral Registration went live on 10 June 2014, with the onus now moved from the basis of registering from the household annual canvass form to the individual being responsible for their registration. Melton's live run date was initially 1 July 2014 but was deferred slightly due to connection problems; however, Melton achieved a match rate of 81.023%.

Members were referred to the Performance Standards Assessments (Item 3.8) all of which with the exception of one was above the standard. Members commented on this performance and expressed their gratitude to the Electoral Team.

A Member requested whether a Polling Station review would be conducted prior to the Elections. For example Dorian Ward is quite vast in size with only one delegated Polling Station. A review is currently being undertaken of the Polling Stations and Councillors have been written to and are requested to provide feedback direct to the Electoral Registration Officer.

The recommendation was moved by Councillor Orson and Councillor Freer-Jones seconded.

All Members were unanimously in favour.

RESOLVED that

a) The contents of the report be noted.

G.46. URGENT BUSINESS

To consider any other items that the Chairman considers urgent.

The Meeting which began at 06.30 p.m. closed at 07:53 p.m.

Chairman

