

GOVERNANCE COMMITTEE

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

11 February 2015

PRESENT

Councillors M.C.R. Graham MBE (Chairman)  
G. Bush, 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  
Head of Regulatory Services  
External Auditor – PricewaterhouseCoopers (PWC)  
Internal Auditors – Local Government Shared Service (LGSS)  
Admin Assistant

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G.47. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Cumbers.

G.48. MINUTES

The Minutes of the Governance Committee held on 18 November 2014 were confirmed and authorised to be signed by the Chairman.

G.49. 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.50. RECOMMENDATIONS FROM OTHER COMMITTEES

There were no recommendations or reports submitted from other Committees.

G.51. 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 this Committee.

The Chairman methodically went through each item on the report and noted the following:

Item 1. It was to be noted that the Training on Corporate Governance had now taken place immediately prior to this Committee Meeting.

Item 3. The review and update of the Whistle Blowing Policy is due to be presented at Item 10 on this agenda.

Item 4. The Head of Regulatory Services will be making the presentation at Item 9 on this agenda and this can now be removed as complete.

Item 8. To remain on this list until the relevant card detailing the numbers to be used in case of an emergency has been issued to Members.

All moved to note the report.

**RESOLVED that the report be noted.**

#### G.52. ANNUAL AUDIT REPORT 2014/15

The External Auditor (PWC) presented their audit plan for 2014/15 (copies of which had been previously circulated). It was confirmed that this plan was in draft form and would remain so until the approval of this meeting.

The risk 'the meeting the financial challenge' on page 8 was categorised as 'elevated' due to the challenges around the Value For Money opinion and the increasing financial instability of the economy and funding streams as time goes forward which is common to all local government organisations in their medium term financial outlooks.

It was confirmed that standard benchmarking had been used to produce the figures on Page 9 concerning Materiality and this Committee would be informed if there were any changes in this.

The responsibilities of this Committee with regards to the Risk of Fraud were highlighted as listed on Page 12 of the report.

PWC would appreciate this Committee's views on fraud. Attention was drawn to the points listed on Page 13 of the report to be taken away and considered:

- Whether you have knowledge of fraud, either actual, suspected or alleged, including those involving management?
- What fraud detection or prevention measures (e.g. whistleblower lines) are in place in the entity?
- What role you have in relation to fraud?
- What protocols/procedures have been established between those charged with governance and management to keep you informed of instances of fraud, either actual, suspected or alleged?

The indicative fee for 2014/15 has increased by £900 from the actual fees 2013/14 due to the additional work required to audit business rates that would previously have been covered by the separately audited and billed grant claim form.

Clarification was sought as to why the appropriate data for analysis referred to in the data auditing section under Smart Approach on page 22 was not available. It was confirmed that the data was held but it had been decided it was not cost effective to allocate the staff resource required or to fund the considerable cost needed to customise the unique financial system programme the Council uses to retrieve the required data at this time.

It was confirmed that Internal Audit maintain a Fraud log for the Council and this is reported with their annual report. As this log would come to an open meeting it would be accessible to the public however, any on-going cases may have exempt papers depending upon the stage and nature of the case.

The Monitoring Officer confirmed in response to question on the position regarding a Freedom of Information request that the Whistle Blowing policy is mainly for internal use and some information may need to be kept confidential if an individual was involved.

All moved to accept the report

**RESOLVED that the report be accepted.**

G.53. ANNUAL GRANTS CERTIFICATION REPORT 2013/14

The External Auditor (PWC) presented their report (copies of which had been previously circulated) which provides members of the Governance Committee with a high level overview of the results of the certification work they have undertaken at Melton Borough Council for financial year ended 31 March 2014.

All moved to accept the report

**RESOLVED that the report be accepted.**

G.54. INTERNAL AUDIT PERFORMANCE MONITORING REPORT

The Internal Auditor – Local Government Shared Service (LGSS), presented their report (copies of which had been previously circulated).

Attention was drawn to the fact that internal audit are on target to deliver at least 90% of the planned assignments to draft report stage by 31 March 2015 and all audits requested to be delivered by March 2015 have been allocated.

It was confirmed reasons for the two recommendations which are overdue at the time of reporting out of the ten recommendations have been received and these will be kept under review.

The Auditor updated on Item 2.6 in Appendix A of the report that already actions had been taken to address the weaknesses in the controls over the management of leavers, the issuing and tracking of temporary access cards. The implementation of these actions will be reviewed by Internal Audit and an update will be provided to the Committee as part of the standard progress reporting cycle.

The IT Governance and IT Systems Administration Audits have been finalised since the last Committee meeting. IT policies have been updated and have been communicated to employees, although at the moment there is inconsistency in their formats and this is being addressed.

Clarification was given that the wording under the section Internal Control in Appendix 1 was detailing the possible occurrences and what is looked for by Audit, rather than an overall list of what had been found.

It was confirmed that the 'Consultancy on Counter Fraud Arrangements' training sessions for staff listed in Appendix 2, had commenced and 5 sessions have already taken place. A tiered approach of delivering to Senior Management first to ensure their views could be included and then the reassurance that what was being delivered was endorsed by the Management could be given to the staff. This was important as information was included about the organisation having a Whistle Blowing Policy and how people could raise any concerns they may have and the reassurance they would have the support of Management if they found themselves in this position of needing to report a suspected case of fraud.

The Audit plan for 2015/16 is in the process of being drawn up in consultation with the Management Team and the Committee were asked if there were areas they wished to be considered which could be added for consideration. The draft Audit Plan 2015/16 will be brought to the Committee's meeting in March for approval.

Members suggested the following risk areas for inclusion in the Audit Plan 2015/16:

Housing repairs

Debt management - consolidation of debt across services

Contracts register

**RESOLVED that**

**2.1 the report be noted**

**2.2 the risk areas of Housing repairs, Debt Management (consolidation across services) and Contracts Register be included in the development of the Internal Audit Plan 2015/16.**

G.55. CIVIL EMERGENCY DISASTER

The Head of Regulatory Services gave a presentation on 'Major incident Management an overview'.

This covered the following topics:

- What constitutes 'major incident'?
- Who decides to activate the procedures?
- Jargon: What is 'the LRF', an 'SCG' and a 'TCG'?
- What happens at these meetings?
- Who attends?
- What plans do we have
- What is our (MBC's) role?
- What happens back at HQ?
- Costs and organisation

A major incident is defined as:

"An event or situation which threatens serious damage to human welfare in a place in the United Kingdom, or an event or situation which threatens serious damage to the environment of a place in the United Kingdom, or war, or

terrorism, which threatens serious damage to the security of the United Kingdom. (Civil Contingencies Act 2004)”

To help understand the level an incident needs to be before being classed as a major incident it was clarified that the fire The Council experienced was not a major incident as it did not affect put any lives endanger and The Council were able to manage the incident .

It was confirmed that the Armed Forces are not listed to automatically become involved in the response teams but may be able assist if their resources allowed at the time as additional support.

The Council`s Corporate Management Team and Senior Management Team undertake training on a regular basis at an appropriate level which is provided and co-ordinated by the Local Resilience Forum- LRF (known as Leicester, Leicestershire and Rutland Prepared). The LLR Prepared is an ‘umbrella’ partnership which facilitates multi-agency emergency planning.

#### SCG – Strategic Co-ordinating Group

Operates on traditional operational boundaries (county wide and in our area this include Rutland). This group directs the overall multi-agency response and sets the policy and strategy framework. This group operates at a high level as this group need to make instant binding decisions. The Chief Executive represents The Council but in her absence the Strategic Directors can take her place.

#### TCG – Tactical Co- Ordinating Group

This groups replicates the SCG area and co-ordinates the overall response. carrying out and following the policy and guidelines from the strategic group, including getting and distributing resources  
Premises are set aside ready and reserve rooms are also on standby to be used with all the correct equipment in.

There are plans ready for lots of scenarios both for us as an organisation and countywide. These are reviewed regularly from observations at the training, legislation and good practice. The County have a dedicated team who are employed to ensure this happens. They would also be on hand in the event of a Major incident to advise the SCG. The Council contributes approximately £3000 to the provision of this team which is a shared service between Local Authority and Leicester City Council. This service not only provides advice on planning, training but is available 24 hours a day. The cost to The Council is not only financial but in Officer time and any other resources which may be required at the time.

The Council still has statutory responsibilities as an extension to normal day to day duties involving housing, environmental health, building control which normally is the second phase after the fire authority, police operations are

completed. This is in addition to the continuation of normal Local Authority services and this is where the priorities are contained and have been decided upon in the Business Continuity Plan.

There is an elected Members Emergency Plan and this due to be refreshed in May 2015. The main expectation is that members will reassure the public and stop any rumours by ensuring the same message is communicate. The role of official spokesperson is that of the Leader of the Council.

The card which the Head of Communities and Neighbourhoods is issuing is for use of members in the event of lesser incidents were there are difficulties which lists telephone numbers of officers in a priority order of who to contact when. Thanks were expressed for this informative presentation.

#### G.56. WHISTLEBLOWING POLICY

The Monitoring Officer submitted a report (copies of which had previously been circulated to the Members) for Members to consider the updated Whistle blowing policy which was attached at Appendix A.

The policy was last revised in February 2012 and since this last review the provisions of the Enterprise and Regulatory Reform Act 2013 have come into effect in June 2013. The updated policy addresses the changes made by the Act in relation to whistleblowing.

It was clarified that where the term `worker` was used it includes any volunteer or contractor who carries out work for us as an organisation.

All agreed to approve the policy in line with the recommendation of the report but with the addition that it is brought back annually to the February meeting of this Committee.

#### **RESOLVED that:**

**2.1 the Whistleblowing Policy attached at Appendix A be approved**

**2.2 the Whistleblowing Policy be brought annually to the February meeting of the Governance Committee.**

#### G.57. POLLING STATIONS

The Head of Communications submitted a report (copies of which had previously been circulated to the Members) covering the review of Polling Districts and Polling Places which is required every four years under The Review of Polling District and Polling Places (Parliamentary Elections) Regulations 2006 and to implement the recommendations of the review which commenced on 3 November 2014. This is attached at Appendix 1.

All agreed to accept the report and recommendations.

#### **RESOLVED that:**

**2.1 that the Polling Districts and Polling Places be designated as per the attached schedule. See Appendix 1.**

## **2.2 The Council continue to monitor all Polling Districts and Polling Places on an on-going basis.**

### **G.58. CODE OF CONDUCT UPDATE**

The Monitoring Officer submitted a report (copies of which had previously been circulated to the 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.

Work with the parishes is on-going to ensure all Parish Councillors' Registration of Disclosable Pecuniary Interests and Other Interest Forms are completed and available on the website.

There are 15 complaints in progress and a Governance Sub Committee 1 meeting is set for the 5 March 2015.

Following completion of the report, confirmation has now been received from Bottesford Parish Council that they will not be taking action on the recommendations of the Governance Sub Committee 1 held on the 1 May 2014 as they confirmed they had previously been trained and did not consider they required training. The Monitoring Officer confirmed that under the present system the Council has no authority to insist Parish Councils act on any recommendations made.

The Monitoring Officer is reviewing the Complaints process within the current legal constraints and is anticipating bringing suggestions to assist the process to the June Governance Committee for consideration.

Details of parish council audits have been received from Waltham on the Wolds and Belvoir Parish Councils following the recent audits. Another has been received since the report was written regarding Buckminster Parish Council.

The Independent Persons continue to meet on a regular basis with the Monitoring Officer. They attended the 'Role of the Independent Person Workshop' at Lincoln on 11 November 2014 where a number of local authorities were represented. The Monitoring Officer was advised by Melton's Independent persons that

'It was again clear that the processes and procedures adopted by Melton Borough Council were very robust and found favour with the facilitators and participants. In particular the appointment of 2 IPs, our clear roles in the complaints process and the overall structure was noted as being very clear and fit for purpose. The regular meetings that we have with yourself (the Monitoring Officer) was also deemed to be good practice.'

All agreed to the recommendations

**RESOLVED** that:

**2.1 The update on the position of the 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 is noted.**

**2.2 To note we have received correspondence regarding the audit for three Parish Councils.**

**G.59. 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.

3.3 Discussions were held around this item in respect of the proposed amendments of the Joint Staff Working Group. Concern was expressed about the removal of the 2 staff representatives in respect that the views of the non-union staff members would not be represented. It was clarified that if non-union staff members held a ballot, there would be the ability for the membership of this group to be reviewed if required to include any appropriately appointed representatives. It was confirmed that the Unions on the group were fully recognised.

3.5 The proposed Calendar of Meetings for 2015-16 (Appendix B) was looked at with the following comments. The minutes from the Planning meeting due to be held on the 9 December 2015 must be available for the Full Council Meeting due to be held on 16 December 2015. It should be noted that the PF&A and the Full Council Meetings due to be held in February may need their dates amending in line with the Away Day and budget processes.

All agreed to the recommendations with the addition of noting that the Planning minutes from the 9 December 2015 must be available for the Full Council Meeting due to be held on 16 December 2015.

**RESOLVED that:**

**2.1 To agree that the membership of the Joint Staff Working Group at Part 3 of the Constitution be amended to remove reference to the MPO member and the Non Union representatives and GMB to have 2 places, therefore the membership be amended to read as follows :-**

**JOINT STAFF WORKING GROUP**

**MEMBERSHIP: 7 members (politically balanced)**

**3 UNISON representatives**

**2 GMB representatives**

**Quorum: 2 Members and 2 Staff**

**Chair to alternate annually between employers and staff side unless agreed otherwise by the Group.**

**2.2 To note the revised Members' Allowances Scheme following the NJC Pay Award of 2.2 % as set out at Appendix A**

**2.3 To accept the proposed Calendar of Meetings for 2015-16 as set out at Appendix B subject to any change to the budget setting process for 2015-16 being approved at Full Council on 4 February 2015 which may bring forward the PFA Committee meeting date in Cycle 4. The Planning minutes from the 9 December 2015 must be available for the Full Council Meeting due to be held on 16 December 2015.**

**2.4 To accept updating the Contract Procedure Rules under the heading of 'General Exceptions from Contract Procedure Rules' (page 112 Appendix A) to include the Strategic Directors and Head of Regulatory Services to be able to approve over £25,000 in an emergency. The changes proposed are in red :-.**

**'General Exceptions from Contract Procedure Rules**

**(c) Works or services procured in an emergency because of a need to respond to events that were beyond the control of the Council (e.g. natural disasters such as flooding or fires) as long as any expenditure in excess of £25,000 is first approved by the Chief Executive, **Strategic Director or the Head of Regulatory Services**. Any contract entered into by the Council under this Exemption must not be for a term of more than 6 months.'**

**G.60. URGENT BUSINESS**

**The Chairman, in exercising his statutory powers, agreed that the following item be considered as a matter of urgency due to the issue being raised after despatch of the agenda.**

**1. Planning Committee – Role of Committee Member and Ward Councillor**

The chair reported he had received a request from Councillor Orson on 5 February 2015 to review the arrangements for Ward Councillors who were part of the Planning Committee.

Councillor Orson explained how he sometimes attends the Planning meetings and sits in the public area which gives a different perception of a meeting. This has prompted him to raise this concern to ensure Members as Ward Councillors are not open to a challenge in the future.

All agreed to the review of the Code of Conduct for Members dealing with Planning Matters in respect of the Planning Committee.

**RESOLVED that the Chair to request the Monitoring Officer, in consultation with the Head of Regulatory Services and Solicitor to the Council, to review the Code of Conduct for Members dealing with Planning Matters in respect of the Planning Committee.**

The Meeting which began at 6.30 pm, closed at 8:05 pm.

Chairman

