

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

- * Councillor Gordon Jackson (Chairman)
- * Councillor Jo Randall (Vice-Chairman)

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| * Councillor Philip Brooker | * Councillor Jennifer Jordan |
| * Councillor Colin Cross | * Ms Maria Angel |
| * Councillor David Elms | * Mr Ian Symes |
| Councillor Mike Hurdle | |

*Present

Councillor Nigel Manning, Lead Councillor for Finance and Asset Management was also in attendance.

CGS4 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were submitted on behalf of Councillor Mike Hurdle.

In accordance with Council Procedure Rule 23(j), Councillor Susan Parker attended as his substitute.

CGS5 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

There were no disclosures of interest.

CGS6 MINUTES

The minutes of the meetings of the Corporate Governance and Standards Committee held on 26 March 2015 and 19 May 2015 were confirmed and signed.

CGS7 ANNUAL GOVERNANCE STATEMENT 2014-15

The Committee considered a report on the Council's Annual Governance Statement for 2014-15, as required by the Accounts and Audit (England) Regulations 2015. The Statement was underpinned by the Head of Internal Audit's Annual Opinion Report, considered later during the meeting.

The Statement set out the Council's governance framework, review of effectiveness and internal audit statement. The Council had improved in its overall governance arrangements, and where It had Identified areas for further Improvement, It would take the necessary actions to Implement changes to further develop its governance framework. The Statement also highlighted some significant governance issues during 2014-2015, including a review of how we set our taxi licences, a review of our procurement decisions and our records management systems. A significant increase in the volume and complexity of Freedom of Information requests resulted in the Council not meeting the Information Commissioner's minimum compliance threshold of 85%, though a series of actions were taking place to improve this performance.

The Council appointed a third party to conduct an Independent Investigation into allegations regarding the conduct of the former Lead Councillor for Planning made by a number of local

residents. At the conclusion of the investigation, the residents referred the matter to the police, who obtained further Information on the allegations which had not been at the disposal of the independent investigator. Subsequently, the former councillor pleaded guilty In May 2015 to three counts of forgery, one of obtaining a pecuniary advantage by deception and one of wilfully pretending to be a barrister. The offences related to the former councillor's personal and professional life, rather than her role as a councillor. Officers conceded that, although the Council did not suffer any direct financial loss, it had suffered reputational damage from the incident.

A member of the Committee commented that the Statement should have acknowledged the Council's error during the investigation, in that the Bar Council had advised that, in contrast to its initial advice, a criminal offence may have been committed and that this may have consequences for the Independent investigation. Officers advised that the independent investigator considered this and advised that as the Council's Code of Conduct did not relate to a councillor's personal or professional life, the Bar Council's subsequent advice did not warrant a change to the report. Officers added that whilst they became aware that a technical offence had been committed, the residents took their complaint to the police. At that point it became a police matter and it would have been inappropriate to reopen the internal Investigation whilst it was subject to police investigation. The Council's obligation was then to assist the police, which it readily did.

A member of the Committee also noted that the Corporate Plan had never been subject to a public consultation. It was noted that councillors had been elected to make decisions, and not all the Council's decisions needed to go to public consultation.

Having considered the report and the Annual Governance Statement as set out in the appendix, the Committee

RESOLVED: That the Executive be requested to adopt the Council's Annual Governance Statement for 2014-15 as set out in Appendix 1 of the report.

In accordance with Council Procedure Rule 19(e), Councillor Parker voted against the motion.

CGS8 ANNUAL REPORT ON GUILDFORD BOROUGH COUNCIL'S COMPLIANCE WITH INFORMATION RIGHTS LEGISLATION - 2014

The Committee received the Information Rights Officer's annual report on how the Council had performed in compliance with the Information Rights legislation. The report demonstrated that there was:

- a 27% increase in the number of formal requests for information under the Freedom of Information (FOI) Act 2000, Environmental Information Regulations (EIRs) 2004 and Data Protection Act 1998,
- a 18% decrease in response timescales in relation to requests made under the Freedom of Information Act 2000 and Environmental Information Regulations 2004 receiving a response within the statutory timescales,
- an increase in the number of reported information risk incidents.

The report also listed a summary of actions to be taken by officers to address the issues raised in the report.

A committee member expressed concern at the suggestion that officers applied exemptions to some information requests, and that this should only be the case with confidential or commercially sensitive information. The committee member suggested that applying exemptions possibly contributed to the delayed response times. Officers assured the Committee that the Council's stance was always to provide all information requested within the

statutory timescales; however, as the number of requests had considerably increased recently, officers would now consider exemptions where appropriate in order to address the increased number of requests received.

Another member of the Committee noted that the number of information requests made to the Council had increased exponentially over the past few years, whilst the response rate for requests dealt with within the statutory timescale had fallen from above 95% to 69%. The member queried whether the suggested measures would be adequate to address the issues raised, and suggested that the Committee review these three or four times a year.

Having considered the report, including the summary of actions to be taken by officers, the Committee RESOLVED to:

1. approve the action to be taken by officers as set out in the report
2. receive regular reports to monitor the performance in dealing with Freedom of Information requests, including some key indicators.

CGS9 DISMISSAL OF, OR DISCIPLINARY ACTION AGAINST, STATUTORY OFFICERS

The Committee considered a report recommending the revision of the Employment Procedure Rules to comply with the Local Authorities (Standing Orders)(England)(Amendment) Regulations 2015 which amended the procedure to dismiss a statutory officer, that is, the Head of Paid Service, the Chief Finance Officer and the Monitoring Officer (the 'relevant officers').

The report also outlined the new requirement to appoint an independent panel as and when required for the purposes of advising the Council on matters relating to the dismissal of one or more of the relevant officers. The Panel must have at least two members, being Independent Persons who have been appointed for the purposes of the members' conduct regime under Section 28(7) of the Localism Act 2015.

Having considered the report, the Committee RESOLVED to recommend to Council:

1. that the Officer Employment Procedure Rules contained within the Council's Constitution be revised as set out in Appendix 1 hereto with immediate effect.
2. that the role of the Independent Persons be revised to include reference to their new responsibilities as a co-opted member of an independent dismissal advisory Panel and that the current allowance paid shall incorporate such duties.
3. that the Monitoring Officer be given delegated authority in consultation with the Leader to make any further revisions to the Officer Employment Procedure Rules as may be necessary to fully implement the requirements of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015.

CGS10 EXTERNAL AUDIT 2015-16 FEE LETTER AND THE FUTURE OF LOCAL GOVERNMENT EXTERNAL AUDIT

The Committee considered the audit fee letter for 2015-2016 from the Council's external auditors, Grant Thornton. The letter provided a broad summary of the programme of work that Grant Thornton intended to carry out during 2015-2016. The overall fee for the core audit and grant claim work was a 24% reduction on the fee charged from £94,040 in 2014-15 to £71,458, and was within budget.

The Committee also considered a report outlining the arrangements put in place by central government for roles and functions previously carried out by the Audit Commission further to the Commission's closure on 31 March 2015.

Having considered the fee letter for 2015-16 and the report outlining the arrangements for local body audit, the Committee RESOLVED to:

1. approve the external audit fee submitted by Grant Thornton, and
2. note the arrangements for local body audit following the closure of the Audit Commission.

CGS11 INTERNAL AUDIT PLAN 2015-16

The Committee considered a report containing the draft audit plan for 2015-16 and the work programme for the first half of the year. The report also presented a calculation of the resources required for the proper audit of Council services.

Having considered the report, the Committee RESOLVED to:

1. approve the audit plan for 2015-16 as set out in Appendix 1 to the report;
2. approve the audit plan for the first half of 2015-16 as set out in Appendix 2 to the report; and
3. note progress against the plan for the period October 2014 to March 2015 as set out in Appendix 3 to the report.

CGS12 HEAD OF INTERNAL AUDIT OPINION 2014-15

The Committee considered the Head of Internal Audit's report giving her opinion on the effectiveness of the system of internal control as well as risk management and governance arrangements. This annual opinion was in line with the Chartered Institute for Public Finance and Accountancy Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 (the CIPFA Code). The opinion was also part of the Council's governance framework and informed the Annual Governance Statement.

The Committee noted the report and the Head of Internal Audit's Annual Opinion as set out in Appendix 1 to the report.

CGS13 SUMMARY OF INTERNAL AUDIT REPORTS OCTOBER 2014 - MARCH 2015

The Committee considered a report which summarised the audit work carried out in the period October 2014 to March 2015.

Of the reports given, four were classified as "limited assurance", nine as "reasonable assurance" and four as "substantial assurance". There were no investigations or reports classified as "no assurance" during this period.

A committee member noted that three of the four limited assurance reports appeared to be ICT-related. Officers advised that they had identified a number of inconsistencies and inadequacies across a number of systems, and they had produced an action plan to address the issues.

With regard to the access controls of Microsoft Sharepoint, the Council would migrate its electronic documentation to a new system with clearer and more robust security permissions, including an audit trail of any changes and details of sites accessed.

Training would be provided on the system project management with progress against all action plans being reported to the Committee to monitor improvements.

Having considered the report, the Committee RESOLVED to

1. note the contents of the report; and
2. receive an interim report on progress against the action plan to monitor the improvements implemented to the services.

CGS14 WORK PROGRAMME

The Committee received a report outlining its work programme for the 2015-16 municipal year. Having discussed elements of the councillor induction programme following the May 2015 borough elections, the Committee requested that the Member Development Steering Group submit a report to consider matters relating to the ongoing councillor training programme.

Having considered the report, the Committee RESOLVED to:

1. approve the work programme; and
2. receive a report from the Member Development Steering Group to consider matters relating to the councillor training programme.

The meeting finished at 8.43 pm

Signed

Chairman

Date