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Contact Officer:

John Armstrong,  
Democratic Services and Elections Manager  
Tel: 01483 444102

20 September 2023

Dear Councillor

Your attendance is requested at a meeting of the **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **THURSDAY 28 SEPTEMBER 2023 at 7.00 pm.**

Yours faithfully

Tom Horwood  
Chief Executive

**MEMBERS OF THE COMMITTEE**

Chairman: Councillor Phil Bellamy  
Vice-Chairman: Councillor Bob Hughes

Councillor Joss Bigmore	+Murray Litvak
Councillor James Jones	^Julia Osborn
Councillor George Potter	^Simon Schofield
Councillor James Walsh	^Tim Wolfenden
Councillor Fiona White	

\*Independent member

^ Parish member

**Authorised Substitute Members:**

Councillor Bilal Akhtar	Councillor Vanessa King
Councillor Honor Brooker	Councillor Richard Mills
Councillor Ruth Brothwell	Councillor Howard Smith
Councillor Amanda Creese	Councillor Katie Steel

### **WEBCASTING NOTICE**

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you have any queries regarding webcasting of meetings, please contact Democratic Services.

### **QUORUM 3**

## THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

### **Our Vision:**

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

### **Our Mission:**

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

### **Our Values:**

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

### **Our strategic priorities:**

#### Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment

- Maximise opportunities for digital infrastructure improvements and smart places technology

### Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

### Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

## AGENDA

### ITEM

**1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

**2 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, you must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

**3 MINUTES (Pages 7 - 26)**

To confirm the minutes of the meetings of the Corporate Governance and Standards Committee held on 18 and 27 July 2023.

**4 ACTION TRACKER (Pages 27 - 30)**

**5 DATA PROTECTION AND INFORMATION SECURITY UPDATE REPORT (Pages 31 - 38)**

**6 EXTERNAL AUDITOR'S VALUE FOR MONEY LETTER TO THE CHIEF FINANCE OFFICER (Pages 39 - 44)**

**7 FINANCIAL MONITORING 2023-24 PERIOD 3 (APRIL TO JULY 2023)**

Report to follow.

**8 ANNUAL REPORT OF THE CORPORATE GOVERNANCE AND STANDARDS COMMITTEE 2022-23 (Pages 45 - 64)**

**9 JOINT CONSTITUTIONS REVIEW GROUP - APPOINTMENT OF CO-CHAIR**

At its last meeting on 27 July 2023, the Committee will recall that it approved the establishment, in conjunction with Waverley Borough Council's Standards and General Purposes Committee, of a Joint Constitutions Review Group with an overall objective of aligning key parts of the Councils' respective constitutions, where it is appropriate to do so.

The four GBC members appointed to the Review Group were confirmed as:

The Deputy Mayor, Cllr Sallie Barker MBE  
Cllr Joss Bigmore  
Cllr Catherine Houston  
Cllr James Jones

When considering this matter, however, the Committee unfortunately omitted to confirm which of the above-mentioned members would act as co-chair of the Review Group. It is envisaged that meetings will be quarterly and alternate between Guildford and Waverley with the host council's appointed co-chair, chairing the meeting.

Officers are currently seeking to confirm the date of the first meeting.

The Committee is therefore asked to appoint a co-chair of the Joint Constitutions Review Group, from the list of appointed members referred to above.

**10 WORK PROGRAMME (Pages 65 - 76)**

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

18 July 2023

- \* Councillor Phil Bellamy (Chairman)
- \* Councillor Bob Hughes (Vice-Chairman)
  - \* Councillor Joss Bigmore
  - Councillor James Jones
  - \* Councillor George Potter
  - \* Councillor James Walsh
  - \* Councillor Fiona White

Independent Members:

Murray Litvak

Parish Members:

Julia Osborn

Ian Symes

\* Tim Wolfenden

\*Present

The Leader of the Council, Councillor Julia McShane, the Lead Councillor for Finance & Property, Councillor Richard Lucas, the Lead Councillor for Community and Organisational Development, Councillor Carla Morson, the Lead Councillor for Commercial Services, Councillor Catherine Houston and Councillors Yves de Contades, Jason Fenwick, Joanne Shaw, and Howard Smith were also in attendance.

The Deputy Mayor, Councillor Sallie Barker MBE, and Councillors Dawn Bennett, Ruth Brothwell, Amanda Creese, Angela Goodwin and Katie Steet were in remote attendance.

### **CGS8 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillor James Jones and from Murray Litvak, Julia Osborn, and Ian Symes.

### **CGS9 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

### **CGS10 GENERAL FUND BUDGET UPDATE**

The Committee noted that, at its budget meeting on 8 February 2023, the Council had approved the 2023-24 budget and the Medium-Term Financial Plan (MTFP),

which had included an £18.3m projected deficit to be resolved, underwritten by an estimated £32m cash backed usable reserves and £3.75m General Fund working balance reserve. The reasonable worst-case scenario, at that time, was that the Council's expenditure could be met by the resources currently available to it in the immediate term. Council asked the Joint Management Team to undertake a comprehensive financial review to identify a set of measures to address this deficit and present a revised budget and MTFP to Full Council in July 2023. That work had progressed, and the Committee considered the Section 151 Officer's report which set out the findings and recommended actions to be taken, including a 2023-24 General Fund budget revision for Full Council approval.

The Committee had been asked to consider the report and submit its own comments to the Executive at its meeting on 20 July, and to the Council at its meeting on 25 July, in respect of the recommendations contained in the report.

The Lead Councillor for Finance presented the report to the Committee summarising the position the Council was in financially, including the recent historical background highlighting the various factors and circumstances that had contributed to that position, together with the serious implications for the Council. The Lead Councillor also outlined the remedial measures recommended in the report and the anticipated timeline for their implementation.

During the debate, the Committee asked a number of questions and made a number of comments on the contents of the report. The Committee also made the following key points in the debate on this matter which it was proposed to put to the Executive on 20 July:

- It was noted in the discussion on an accountancy treatment of a grant that these sums had been erroneously applied to a reserves heading and were otherwise correctly spent and disposed of.
- It was suggested that the business case for investment in Planning Services should be circulated to councillors in advance of the Full Council meeting and added as a supplementary paper
- It was felt that the findings in the report should be noted rather than endorsed.
- It was suggested that, rather than having an informal cross-party reference group, the Executive should establish its own working group, to receive and comment on regular updates on the Council's preparations for the Medium-Term Financial Plan restatement in October and its implementation; and to consider options to close the projected financial gap.



- It was noted that the table in paragraph 7.12 of the report showing the increase in the capital programme since 2016 had erroneously shown the capital cost to the Council on the Ash Road Bridge project in 2024 as being £24.573m. The correct figure would be reported to Council.
- It was also noted that paragraphs 14.2 and 14.3 of the report (Climate Change/Sustainability implications) had erroneously repeated the earlier paragraphs 13.2 and 13.3 (Equality and Diversity Implications). Any further information on Climate Change/Sustainability implications should be reported to the Council.

The following changes to the recommendations in the report were therefore suggested for consideration by the Executive:

- (a) Paragraph 2.1 of the recommendation be amended to read:  
 “To approve the restated 2023-24 General Fund Revenue Budget, *including the business case for planning resources*”
- (b) Paragraph 2.3 of the recommendation be amended to read: “To *endorse note* the findings in this report.”
- (c) Paragraph 2.7 of the recommendation be amended to read: “*To note that the Executive will set up an executive working group for the following purposes:*
  - *to receive and comment on regular updates on the Council’s preparations for the Medium-Term Financial Plan restatement in October and its implementation;*
  - *to provide a sounding board for the Executive and officers on the options that are coming forward to close the projected financial gap;*
  - *and to guide wider communication with councillors and beyond*”

The Committee

RESOLVED: That the key points referred to above, together with the suggested amendments to the recommendations as indicated above be approved for consideration by the Executive at its meeting on 20 July 2023.

Action:	Officer to action:
To submit the Committee’s comments and recommendations to the Executive at its meeting on 20 July 2023.	Democratic Services & Elections Manager

Agenda item number: 3

The meeting finished at 9.09 pm

Signed .....

Date .....

Chairman

## **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE**

27 July 2023

Councillor Phil Bellamy (Chairman)

\* Councillor Bob Hughes (Vice-Chairman) [in the chair]

Councillor Joss Bigmore

\* Councillor James Jones

Councillor George Potter

\* Councillor James Walsh

\* Councillor Fiona White

### Independent Members:

Murray Litvak

### Parish Members:

\* Julia Osborn

\* Simon Schofield

\* Tim Wolfenden

\*Present

The Leader of the Council, Councillor Julia McShane, the Lead Councillor for Finance & Property, Councillor Richard Lucas, and Councillors Jason Fenwick and Howard Smith were also in attendance. Councillors Bilal Akhtar and Sue Wyeth-Price were in remote attendance.

Following the appointment of co-opted parish members to this Committee by the full Council on 25 July 2023, the chairman welcomed Simon Schofield to his first meeting and welcomed back Julia Osborn and Tim Wolfenden.

### **CGS11 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from the chairman, Councillor Phil Bellamy, and from Councillor Joss Bigmore (for whom Councillor Ruth Brothwell substituted), Councillor George Potter (for whom Councillor Vanessa King substituted) and from Murray Litvak.

### **CGS12 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

### **CGS13 MINUTES**

The minutes of the meeting of the Committee held on 15 June 2023 were approved as a correct record, subject to a correction showing that Councillor

Howard Smith was in attendance in the Chamber rather than in remote attendance.

#### **CGS14 DECISION AND ACTION TRACKER**

The Committee noted that the decision and action tracker had been introduced to monitor progress against the decisions and actions that the Committee had agreed, which would be kept up to date for each meeting. When decisions/actions were reported as being 'completed', the Committee would be asked to agree to remove these items from the tracker.

The Committee noted that the action in the second item on the tracker, which related to ensuring that future Financial Monitoring Reports clarified the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt had no payment plan, would be addressed in the report scheduled for consideration by the Committee in September.

The Committee

RESOLVED: That the decision and action tracker be noted and that the actions reported as being completed be removed from the table.

#### **CGS15 UPDATE ON THE REVISED JOINT EQUALITY, DIVERSITY AND INCLUSION POLICY, AND ASSOCIATED ACTION PLAN**

The Committee noted that, under the Equality Act 2010, there were statutory obligations for organisations to have equality objectives and to adhere to the general and specific duties within the Act.

The Committee considered a report which had set out a proposed joint Equalities, Diversity, and Inclusion policy, which had been produced in collaboration with Waverley Borough Council. Although it would be a shared policy, the associated action plans were separate for each Council. The action plan had been updated to be more accessible and easier to use. The action plan would be reviewed by the Equality, Diversity and Inclusion Group every quarter and progress updated annually to this Committee.

During the debate, the following points were raised:

- Query as to whether the third bullet point of paragraph 2.1 of the policy ("our Equality Objectives"), and the second bullet point of paragraph 2.5 ("As a Community Leader") should also include Guildford.

- Request to see the terms of reference of the Corporate Equality Group.
- Insufficient reference to disabilities in the policy and action plan, which lacked ambition, and a request that this be addressed and brought back to the Committee.
- It was felt that councillors, as well as staff, should be encouraged to use personal pronouns in email signatures (see action 4.1 in the action plan).

Having considered the report, the Committee

RESOLVED: That the comments referred to in the bullet points above be referred to the relevant officer to address and that a further report be brought back to the Committee.

<b>Action:</b>	<b>Officer to action:</b>
<p>To bring a further report back to the Committee addressing each of the following comments:</p> <ul style="list-style-type: none"> <li>• Query as to whether the third bullet point of paragraph 2.1 of the policy (“our Equality Objectives”), and the second bullet point of paragraph 2.5 (“As a Community Leader”) should also include Guildford.</li> <li>• Request to see the terms of reference of the Corporate Equality Group.</li> <li>• Insufficient reference to disabilities in the policy and action plan, which lacked ambition, and a request that this be addressed and brought back to the Committee.</li> <li>• It was felt that councillors, as well as staff, should be encouraged to use personal pronouns in email signatures (see action 4.1 in the action plan).</li> </ul>	<p>HR Business Partner</p>

**CGS16 EXTERNAL AUDIT FINDINGS REPORT 2020-21**

The Committee noted that the audit of the 2020-21 accounts was nearing completion and the Council’s external auditors intended to issue an unqualified opinion on the financial statements, which the Chief Finance Officer would re-certify in accordance with the Accounts and Audit Regulations 2015 immediately after the Committee meeting. The auditors had issued an Audit Findings report, which was appended to the committee report, together with a management action plan.

There were some adjustments to the primary statements required as a result of the audit and these, along with details of the actions taken, were highlighted in the audit findings report. There were also some minor changes that were not individually significant enough to warrant separate disclosure in the findings report.

The 2020-21 Auditors Annual Report would be reported, together with the 2021-22 Auditors Annual report, to the Committee at a future meeting.

The Chairman of the Committee was required to issue a letter of representation on behalf of the Council to the auditors to provide assurance over the management framework operating at the Council and the disclosures in the accounts. A copy of the proposed letter was attached as Appendix 2 to the report.

The Committee's attention was drawn to the Action Plan in the Audit Findings Report and the management responses, and to the various adjustments made to the accounts since the first draft of the accounts were published.

During the debate, the Committee made the following comments:

- Concern over the likelihood of the Council having made decisions with significant financial implications based on unaudited financial information.
- In view of the Council's current financial position, the Council's focus and priority should be on putting in place a sustainable Medium Term Financial Plan, rather than any retrospective investigation into the merits or otherwise of the Future Guildford project.
- The Council should be asking itself whether it was on track to deliver the anticipated annual revenue savings of up to £10.2 million from the Future Guildford transformation programme.
- In response to a question as to the timescale for completion of the joint 2020-21 and 2021-22 value for money report, the external auditors confirmed that it was intended to bring that report to the next meeting of this Committee.
- Request that future Audit Findings Reports provide an alternative to the colour-coded assessments to assist those with colour blindness.
- In response to concerns, the Interim Joint Executive Head of Finance gave assurance that the Council's financial systems were sufficiently robust.
- In response to a request for clarification as to when the 2021-22 audited accounts would be presented to the Committee, the Interim Joint Executive Head of Finance confirmed that the 2022-23 accounts officer

were nearing closure, and work would shortly focus on 2021-22 accounts to make sure that all the issues that had been raised in the Audit Findings Report for the 2020-21 accounts and the work on the 2022-23 accounts were addressed.

Having considered the report, the Committee

RESOLVED:

- (1) That Grant Thornton’s Audit Findings report attached as Appendix 1 to the Committee report, and the management responses provided in the action plan (as set out in Appendix A to Appendix 1 to that report) be noted.
- (2) That the letter of representation, as set out in Appendix 2 to the report, be approved, and that the Chairman of the meeting be authorised to sign the letter on the Council’s behalf.

Reason:

To allow the external auditor to issue his opinion on the 2020-21 accounts.

Action:	Officer to action:
<ul style="list-style-type: none"> <li>• To bring the joint 2020-21 and 2021-22 value for money report to the next meeting of this Committee.</li> <li>• To provide in future Audit Findings Reports an alternative to the colour-coded assessments to assist those with colour blindness.</li> </ul>	Paul Cuttle, Grant Thornton (external auditors)

**CGS17 AUDITED STATEMENT OF ACCOUNTS 2020-21**

The Committee considered the Audited Statement of Accounts for 2020-21. The Audit Findings report had covered the changes made to the accounts between the draft published on our website and the audited accounts.

The audited accounts appended to the Committee report included the changes.

The Committee noted that the external auditors (Grant Thornton) had issued an unqualified opinion on the financial statements but had recommended a number of management actions.

Having considered the Statement of Accounts for 2020-21, the Committee

RESOLVED:

- (1) That the audited statement of accounts 2020-21, as set out in Appendix 1 to the report submitted to the Committee be approved.
- (2) That the Chairman of the meeting be authorised to sign the official copy of the accounts to state that they are approved.

Reasons:

- To approve the Statement of Accounts for 2020-21
- In order to comply with the Accounts and Audit Regulations 2015 the statutory statement of accounts requires approval by Council or a designated Committee, by 30 November each year.

**CGS18 INTERNAL AUDIT PROGRESS REPORT (MAY 2023)**

The Committee considered the first internal audit progress report for 2023-24 from the Council's new internal auditors, Southern Internal Audit Partnership. The report summarised progress with the "live" audit which were defined as any audit reviews that resulted in management actions being raised and where those management actions were either not yet due or were overdue, and whether those overdue actions were low, medium, or high priority.

In response to a question in the debate regarding the nature of the "resource pressures" referred to in Annex 1 to the report "Overdue High Priority Management Actions", the internal auditor reported that the reason for the management actions being overdue was that the responsible officer had been on leave and had not been able to provide an update in time to report this to the Committee.

Having considered the report, the Committee

RESOLVED: That the progress made against the internal audit plan for 2023-24, as detailed in the report submitted to the Committee, be noted.

**CGS19 MONITORING OF S.106 CONTRIBUTIONS**

The Committee considered a monitoring report showing the details of Section 106 contributions that had been secured, received, and spent as at the date of the report. In cases where the contribution had not yet been spent, the report had shown whether the contribution had been committed to a project.



The Committee noted that Section 106 Agreements could be used to secure financial contributions towards infrastructure that was required to mitigate the impact of development. The Council would only seek contributions where a proposed development created additional need or exacerbated an existing deficiency and where it complied with the three tests set out in the Community Infrastructure Levy Regulations 2010 (as amended).

Section 106 Agreements were recorded and monitored using a module of the Acolaid planning database, from the signing of the agreement to spending the contributions. The Council's Finance team also kept a monitor of income and spend of developer contributions.

Detailed information on Section 106 contributions towards infrastructure were included in the report, which was split into four main sections, S106 Expired Funds S106 Funds Available, S106 Pending Funds and S106 Spent Funds.

As at 31 March 2023, there was a balance of £1,961,341.81 for GBC S106 contributions and £13,588,745 for the SPA Reserves as well as £10,775,177 for Surrey County Council (SCC) and other relevant bodies; these sums being developer contributions that had been received but not spent or passed to relevant bodies.

During the debate, the Committee made the following points:

- General concern about the levels of expired funds and the risk of having to return them to developers.
- Specific concerns that substantial sums of unspent S106 money had been earmarked for spending on education and health and that in respect of the former, there were no indications from Surrey County Council that this money was actually being spent to mitigate the pressure on local schools. In response to a question as to what pressure could be put on the County Council to use the money as quickly as possible towards the purposes for which it had been allocated the Joint Executive Head of Planning Development confirmed that she had already met with Surrey County Council to discuss closer working going forward, both in the way planning applications were negotiated and how S.106 Agreements were structured, particularly on large developments to ensure that there was early spend of contributions.
- In response to concerns regarding certain arithmetical calculations in the report, the lack of information regarding non-financial contributions (e.g. proposed new healthcare provision), and lack of information as to

progress with certain projects where funds have apparently been spent or to whom they were given

- In response to a suggestion that local ward councillors and (where appropriate) parish councils should be consulted as to where partially unspent contributions should be spent, the Joint Executive Head of Planning Development agreed that the Council should ensure that S106 monies were spent appropriately, transparently, and with local engagement.
- The Joint Executive Head of Planning Development suggested that the way that the report had been formatted, which had been taken from the Council's internal systems was not actually providing the information required by the Committee and indicated that a further report could be brought back to the Committee in November in order to respond to some of the specific questions raised at the meeting which would enable the Committee to have a better understanding of how these monies were held and being spent. In addition, consideration would be given as to how unspent monies should be re-profiled.
- In response to a request that the further report referred to above should revise the table in paragraph 7.13 of the report (Comparison to previous report) and include further information as to new S106 monies received during the period between reports, and S106 monies spent during that period.
- Concern that the effect of high inflation reduced the value of unspent S106 monies.
- This Council could not specify to third parties to whom S106 monies had been allocated for spending, such as the County Council or GP practices, deadlines by which those monies had to be spent.

#### The Committee

RESOLVED: That the Section 106 Monitoring Report be noted and a further report addressing the matters referred to above, be submitted to the Committee at its meeting on 17 November 2023.

#### Reason:

To ensure that the Committee is informed of the extent to which S106 funds are available, pending, and spent/committed.

<b>Action:</b>	<b>Officer to action:</b>
To submit a further report to the Committee in November 2023 to respond to some of the specific questions raised to enable the Committee to have	Joint Executive Head of Planning Development/ Specialist S106 Officer

<b>Action:</b>	<b>Officer to action:</b>
a better understanding of how S106 monies were held and being spent.	

**CGS20 PLANNING APPEALS MONITORING REPORT**

The Committee was reminded that at its meeting held on 16 June 2022, it was agreed that future planning appeals monitoring reports be presented annually, to see if any patterns were emerging in respect of member overturns, costs of overturn appeals and costs awards.

The Committee considered a further updated monitoring report on planning appeals, which focused on data relating to the years 2021-2023.

Officers had attached commentary to each year's report which looked at the proportion of appeals allowed in respect of member overturn decisions and overall appeal performance. The report had also included details of the range of costs associated with defending appeals together with the key risks and financial implications.

The Committee noted that a detailed report on planning appeals, including details of cost applications, was reported to every meeting of the Planning Committee. The information contained in the monitoring report had been taken from the information contained on previous Planning Committee agendas.

The report had highlighted that the Council's success rate on appeals was improving year on year, which was particularly important as this was one of the measures that DLUHC used to assess the Council's performance as a planning authority. Along with the speed at which applications were determined, DLUHC also measured quality of decisions over a two-year rolling programme. Paragraph 7.7 of the report had set out the published current performance on quality of decision-making for both major and non-major applications.

There was also a detailed monthly training programme that had been developed for members and officers with a different topic each month which would be rolled out shortly.

During the debate, the following points were raised:

- Clarification was sought as to the criteria by which the Secretary of State had stated that the Council was at risk of designation in terms of the determination of planning applications. In response, the Joint

Executive Head of Planning Development indicated that it was in respect of a specific performance measurement, namely the speed at which non-major applications were being determined. The measures to be taken to avoid designation were meant to achieve 70% within the 8-week period over a rolling 2 year programme. Performance had significantly improved for the quarter January to March 2023, where we achieved 72%, and the period April to June, where we achieved 82% of determination on non-major applications.

- Concerns were reiterated regarding the number of applications appealed on the grounds on non-determination by the Council, in that this could make a designation more likely and lead to awards of costs against the Council. There was also concern over the “democratic deficit” caused by such appeals. It was suggested that a further report should be submitted to the Committee at its November meeting, on the number of applications (of all types) per ward that were not being determined within the statutory time limits, and the reasons for their non-determination.
- Given the capacity issues around how the Council was trying to improve its planning processes and performance to avoid designation, the Leader of the Council expressed concern at having to provide a further report when officers should be focusing on improving the speed of determination of applications.
- As the criteria for designation were based on both speed and quality, there was concern that, whilst the speed of determination of non-major applications has increased from 72% to 82%, it had been at the expense of the quality of some of those decisions.

Having considered the report, the Committee

RESOLVED: That the contents of the revised Planning Appeals Monitoring Report and data be noted.

Reason:

To enable the Committee to monitor the Council’s performance on planning appeals.

**CGS21 REVIEW OF TASK GROUPS REPORTING TO THE COMMITTEE**

The Committee noted that Council Procedure Rule 24 (v) required the appointing body to review annually, the continuation of task groups appointed by them. Although the Councillors’ Development Steering Group had been set up originally

as an Executive working group, it was agreed in 2015 that the Steering Group, which met quarterly, would report on its work to this Committee.

The Corporate Governance Task Group had been established by the Committee in November 2019 to review a number of corporate governance related matters and had met on ten occasions in 2022-23.

The Committee considered a report which reviewed the work carried out by the Steering Group and the Task Group over the past twelve months, and the work to be undertaken over the next twelve months. The Committee was asked to agree that the Councillor Development Steering Group should continue its important work and continue to be representative of all political groups on the Council.

The Committee was also asked to consider disbanding the Corporate Governance Task Group and to establish, jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee, a new Joint Constitutions Review Group (JCRG) with an overall objective of aligning key parts of the Councils' respective constitutions, where it was appropriate to do so.

Having recorded their thanks to the members and former members of the Corporate Governance Task Group, the Committee

RESOLVED:

- (1) That the Councillor Development Steering Group should continue its work and that the numerical allocation of seats on the Steering Group to each political group shall be one member per group for the 2023-24 municipal year as follows:

Cllr Katie Steel

Cllr James Walsh

Cllr Catherine Young

1 x Conservative Group member (to be confirmed)

1 x Guildford Greenbelt Group member (to be confirmed)

- (2) That the Corporate Governance Task Group be disbanded.
- (3) That a new Joint Constitutions Review Group be established jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee, and Guildford's membership shall comprise:

Cllr Joss Bigmore

Cllr James Jones

1 x Conservative Group member (to be confirmed)

1 x Liberal Democrat Group member (to be confirmed)

- (4) That the draft terms of reference of the Joint Constitutions Review Group, as set out in Appendix 2 to the report submitted to the Committee, be approved.
- (5) That the Committee notes the purpose of the Joint Constitutions Review Group, which will be to review the Guildford Borough Council Constitution, alongside the Waverley Borough Council Constitution, and to report back with their recommendations to both the Corporate Governance and Standards Committee at Guildford and the Standards and General Purposes Committee at Waverley. The Corporate Governance and Standards Committee would then have the opportunity to consider any recommendations from the Joint Constitutions Review Group relating to this Council's Constitution and may make appropriate recommendations to the Council to approve any changes.
- (6) That, from among those councillors appointed, the Committee, appoints a co-chairman of the Joint Constitutions Review Group.

Reasons:

- To comply with the requirement for this Committee to review the continuation of the task groups reporting to it, in accordance with Council Procedure Rule 24 (v).
- To commence work on the review of Guildford Borough Council's Constitution, and to do so in collaboration with partners from Waverley Borough Council, with an overall objective of aligning key parts thereof, where it is appropriate to do so.

**CGS22 REVIEW OF GUILDFORD BOROUGH COUNCIL'S COVERT INVESTIGATIVE POWERS POLICY AND ALIGNMENT WITH THE POLICY OF WAVERLEY BOROUGH COUNCIL**

The Committee considered a report which sought approval to recommend to the Executive the adoption of the draft Covert Surveillance and Investigative Powers Policy and Procedure, a copy of which was attached as Appendix 1 to the report. The Committee noted that the Audit & Risk Committee at Waverley Borough Council was also being asked to recommend an identical policy to Waverley Borough Council, with a view to both councils updating their current policies to

reflect best practice, and to put the councils in the position of separate but aligned policies. This would reflect the current position of maintaining sovereignty but the policy being aligned to support and facilitate future collaboration between the councils should that be forthcoming.

The Regulation of Investigatory Powers Act 2000 (RIPA) (as amended by the Protection of Freedoms Act 2012 (POFA)) and the Investigatory Powers Act 2016 (IPA) had set out a regulatory framework for the use of covert investigatory techniques by public authorities who must also adhere to the published Codes of Practice. The purpose of the legislation was to regulate powers to access information in a manner that was compatible with the Human Rights Act 1998, particularly Article 8 - the right to respect for private and family life.

Interference with these rights must be necessary and proportionate. The Council was committed to implementing the provisions of RIPA (and associated legislation) to ensure that any covert surveillance and/or obtaining of Communications Data was undertaken lawfully and was necessary and proportionate to alleged offences.

The Committee was informed that the Council only used covert surveillance powers exceptionally. In the last five years, the Council had only used its powers twice, once in February 2019 and once in August 2021. Both uses were in relation to directed surveillance.

The proposed policy:

- described the investigative techniques local authorities were allowed to use and the limited circumstances in which they could be used;
- outlined the need for authorisation, training and identified examples of what would constitute regulated activity; and
- outlined the roles and responsibilities of various officers under the policy to ensure best practice and a consistency in approach when exercising RIPA and IPA powers.

As the legislation and Codes of Practice were frequently amended, this policy provided up-to-date details of those changes. The policy would also help the Council to comply with the requirements of the Investigatory Powers Commissioner's Officer (IPCO) Inspectorate and also provide guidance to those who used these powers.

The Committee acknowledged that some roles described within the policy were shared across both councils and it made sense for the policy to reflect this, and

for Guildford and Waverley to have aligned policies so the responsibilities of shared officers were clear and consistent.

Having noted that the draft policy had drawn the best parts and examples from each individual policy into one shared document, the Committee

**RESOLVED:** That the Executive be requested to agree that the draft Covert Surveillance and Investigative Powers Policy and Procedure attached as Appendix 1 to the report submitted to the Committee be adopted, subject to the same policy being adopted by Waverley Borough Council.

Reasons:

- To align the policies of Guildford and Waverley and to improve consistency in reporting, monitoring and approval of covert surveillance and acquisition of communications data.
- To ensure the integrity of the processes in place for the use of directed surveillance, covert human intelligence sources (CHIS) and acquiring communications data
- To maintain compliance with the Legislation and Codes of Practice that govern Investigatory powers and the Human Rights
- To ensure collaborative engagement with IPCO and their inspectors
- To ensure staff are fully trained and aware of their powers, duties and the authorisation process.

<b>Action:</b>	<b>Officer to action:</b>
To submit the Committee's recommendation to the Executive for decision at its meeting on 24 August 2023.	Democratic Services & Elections Manager

**CGS23 WORK PROGRAMME**

The Committee considered its updated work programme noting the update on the Supplementary Information sheet listing dates when Internal Audit Reports were scheduled to be considered, and the comment earlier in the meeting that the joint 2021 22 Value for Money Audit report was expected to be submitted to the next meeting.

The Committee

**RESOLVED:** That the updated 12 month rolling work programme, as set out in Appendix 1 to the report submitted to the Committee, be approved, subject to the addition of the items referred to above.



Reason:

To allow the Committee to maintain and update its work programme.

The meeting finished at 9.20 pm

Signed .....

Date .....

Chairman

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## Corporate Governance and Standards Committee

**28 September 2023**

### Decision and Action tracker

This tracker monitors progress against the decisions and actions that the Committee has agreed since January 2022. It is updated for each committee meeting. When actions are reported as being ‘completed’, the Committee will be asked to agree to remove these items from the tracker.

The actions listed below are outstanding.

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
16 June 2022	Planning Appeals Monitoring Report	To provide an update to members of the Committee on the outcome of a review of the correspondence received from a member of public in relation to alleged inaccuracies in the figures in the report.	Executive Head of Planning Development	The Joint Executive Head of Planning Development will update the Committee on this at the meeting.
6 October 2022	Financial Monitoring 2022-23	To ensure that future reports clarify the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt has no payment plan.	Executive Head of Finance	Not yet provided.
18 July 2023	General Fund Budget Update	To submit the Committee’s comments and recommendations to the Executive at its meeting on 20 July 2023.	Democratic Services & Elections Manager	Done
27 July 2023	Update on the revised joint Equality, Diversity and Inclusion Policy, and associated Action Plan	To bring a further report back to the Committee addressing each of the following comments: <ul style="list-style-type: none"> <li>• Query as to whether the third bullet point of paragraph 2.1 of the policy (“our Equality Objectives”), and the second bullet point of paragraph 2.5 (“As a</li> </ul>	HR Business Partner	<ul style="list-style-type: none"> <li>• The reference in the two bullets should be to Guildford.</li> </ul>

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		<p>Community Leader”) should also include Guildford.</p> <ul style="list-style-type: none"> <li>Request to see the terms of reference of the Corporate Equality Group.</li> <li>Insufficient reference to disabilities in the policy and action plan, which lacked ambition, and a request that this be addressed and brought back to the Committee.</li> <li>It was felt that councillors, as well as staff, should be encouraged to use personal pronouns in email signatures (see action 4.1 in the action plan).</li> </ul>		<ul style="list-style-type: none"> <li>Terms of reference attached.</li> <li>Officer trying to arrange a meeting with Cllr Hughes to discuss this point.</li> <li>This will be referred to CMB for decision</li> </ul>
27 July 2023	External Audit Findings Report 2020-21	<ul style="list-style-type: none"> <li>To bring the joint 2020-21 and 2021-22 Value For Money report to the next meeting of this Committee.</li> <li>To provide in future Audit Findings Reports an alternative to the colour-coded assessments to assist those with colour blindness.</li> </ul>	Paul Cuttle, Grant Thornton (external auditors)	See external auditor’s letter attached as Agenda Item 6 to this agenda for update
27 July 2023	Monitoring of S.106 Contributions	To submit a further report to the Committee in November 2023 to respond to some of the specific questions raised to enable the Committee to have a better understanding of how S106 monies were held and being spent.	Joint Executive Head of Planning Development/ Specialist S106 Officer	
27 July 2023	Review of Guildford Borough Council's Covert Investigative Powers Policy and alignment with the policy of Waverley Borough Council	To submit the Committee’s recommendation to the Executive for decision at its meeting on 24 August 2023.	Democratic Services & Elections Manager	Done

**Terms of Reference: GBC Equality & Diversity Group**

<p><b>Purpose</b></p>	<p>The Equality and Diversity Group has responsibility for ensuring the development and delivery of the Council’s Equality and Diversity Scheme. The group will ultimately be accountable to the Corporate Management Board.</p> <p>The group will promote, champion, and encourage diversity, inclusion and equality in the workplace and will monitor the Council’s key areas of performance.</p> <p>The group will also consider the future strategic agenda relating to equality and diversity and will advise and make recommendations on appropriate initiatives and activities that will help Guildford Borough Council achieve its key diversity aims.</p> <p>The group will act as a channel to challenge the organisation in terms of our practice, approach and development of equality and diversity, where progress is limited or, in support of underrepresented or disadvantaged individuals/groups.</p>
<p><b>Membership</b></p>	<p><b>The Group is made up of:</b></p> <p>Robin Taylor – Executive Head of Organisational Development – Chair          Ali Holman, HR (Equalities &amp; Diversity Lead)          Norman Joss, Legal &amp; Democratic Services          Jo James, Organisational Development          Andrea Barnett, Organisational Development          Siobhan Kennedy, Housing Services          Sam Hutchison, Community Services          Charlotte Brindley – Commercial Services          Hannah Cornick, HR Training          Sean Grady – Regulatory Services          Jane Brown, Communications &amp; Customer Services          Amanda Hargreaves – Commercial Services</p> <p>The group will review its membership annually (or as required following change) to ensure that it best reflects the requirements of implementing the E&amp;D agenda.</p>
<p><b>Frequency of Meetings</b></p>	<p>Quarterly (to be reviewed after 6 months)</p>
<p><b>Quorum</b></p>	<p>The quorum is 5 members which must include:</p> <p>Chair/Deputy Chair          4 other members</p>
<p><b>Meeting administration</b></p>	<p>The group will be serviced by HR</p>
<p><b>Duties</b></p>	<p>To support and help drive any internal or Equality and Diversity Group initiatives, communicating and embedding equality and diversity practices into the whole organisation.</p> <p>To champion diversity and inclusion across the organisation and within our own Services and raise awareness about how it is everyone’s responsibility to create a diverse and inclusive culture.</p> <p>To support the organisation in addressing the gender and ethnicity pay gaps.</p>

	<p>To support any future programme development for other underrepresented groups (e.g. BAME, Disability, LGBTQ+)</p> <p>To work collaboratively with existing groups where possible and participate in relevant sub advisory and working groups. To participate in proposals for specific initiatives and activities from the Equality and Diversity perspective.</p> <p>To ensure that underrepresented groups in the Guildford borough are fully accounted for in the provision of our services.</p> <p>Help to create a culture where staff feel comfortable to be themselves in the workplace to be open about our differences, and where staff feel that they can ask for help if they need it.</p> <p>To identify appropriate channels of communication to promote good practice in relation to the promotion of equality and diversity.</p>
<p><b>Monitoring and Review</b></p>	<p>A key measure of success is the satisfaction and wellbeing of staff and evidence for increased diversity where groups are underrepresented (workforce profile, staff surveys, exit interviews etc).</p> <p>The Equality and Diversity Group will undertake regular reviews of both qualitative and quantitative data relating to diversity and inclusion and staff satisfaction and engagement across the organisation.</p> <p>The group will monitor performance against its Equality and Diversity Action Plan, strategies, and statutory obligations, to reflect on good practice and make recommendations to CMB as necessary.</p> <p>A quarterly update will be provided to CMB in form of an action plan on progress against the Equality and Diversity agenda.</p>

# **Guildford Borough Council**

Report to: Corporate Governance and Standards Committee

Date: 28 September 2023

Ward(s) affected: Not applicable

Report of Director: Transformation & Governance

Author: Ciaran Ward, Information Governance Officer

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Lead Councillor responsible: Merel Rehorst-Smith

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Report Status: Open

## **Data Protection and Information Security Update**

### **1. Executive Summary**

- 1.1 The transactions and interactions customers, residents and staff make with the Council often involves the sharing of personal data e.g., in relation to council tax accounts, housing agreements, employment contracts.
- 1.2 It is therefore important that this data is used only in ways reasonably expected, and that it stays safe. Similarly, the secure collection, storage and transfer of data must be executed with regard to sound information security practices.

## **2. Recommendation to Committee**

2.1 That the Committee notes this report.

## **3. Reason for recommendation**

3.1 To ensure that the Committee is kept up to date with developments in the Council's data protection and information security framework.

## **4. Exemption from publication**

No

## **5. Purpose of Report**

5.1 To update developments which have occurred since the last report which was presented to Committee on 6 October 2022.

## **6. Strategic Priorities**

6.1 To ensure adequate compliance with data protection and cybersecurity requirements, and to minimise risks.

## **7. Background**

7.1 This report will cover developments in data protection and information security within the Council since the last annual report to this Committee in October 2022.

## **8. Update on Progress – Information governance developments since October 2022**

- ICT Refresh programme – 54% of systems now migrated off targeted legacy hardware and operating systems.
- Public Sector Network (PSN) IT Health Check - ICT continues to work with Procurement to arrange a PSN compliant IT Health Check (including Penetration Test)



- Further work completed with Waverley Borough Council's Data Protection Officer on data compliance requirements, including –
  - Updated data sharing agreement (June 2023) to cover access to leaver accounts, as part of the Inter Authority Agreement associated with the Guildford/Waverley collaboration.
  - Shared GBC/WBC council tax statement on both councils' website which has led to increased efficiency in dealing with FOI/subject access requests concerning non-payment of council tax.
  - Shared Homes for Ukraine scheme privacy notice
  
- Data Breach Response & Notification reporting Procedure has been reviewed and updated to contain more user-friendly language, extended glossary and updates to changes both within GBC's internal structure and the wider legal and regulatory landscape – full text now live on intranet.
  
- Multi-Factor Authentication (MFA) for device log-in now rolled out to council officers and councillors.
  
- Working on joint project with WBC to update Covert Surveillance/Regulation of Investigatory Powers (RIPA) Policy – to produce a common policy for both councils in order to ensure consistency in reporting, monitoring and approval of covert surveillance and acquisition of communications data. The draft policy was presented to this Committee at its last meeting. The Executive formally adopted the policy at its meeting on 24 August 2023.
  
- Information Governance Audit – Information Governance Officer is liaising with the Council's internal auditors – to be completed September 2023.

- Memorandum of Understanding with the Department for Work & Pensions for the purposes of data sharing with regard to certain council services
- Further all-staff emails have been sent out to warn staff of phishing scams from suspected cyber-criminals following a spate of fraudulent emails claiming to be from GBC's ICT team and sent to various employees advising them they needed to change their password.
- A new Cyber Resilience Programme has started, funded by a grant from the Department for Levelling Up, Housing and Communities (DLUHC). This seeks to improve the Council's cyber security through deliverables agreed with DLUHC.
- As part of the new councillor induction programme, councillors attended data protection and freedom of information training in June 2023.

## **9. Objectives for next 12 months**

- Managing external and internal security penetration tests of council-wide systems – to work with Procurement to choose IT Health Check (security scans) provider for next scan.
- Updating of policies/procedures – Covert Surveillance (Regulation of Investigatory Powers) Policy, Records Retention Schedule, to be reviewed and amended in consultation with relevant stakeholders.
- Review of current Egress/email classification system.
- ICT Refresh Programme - Complete removal of legacy operating systems.

## **10. Data Breaches**

- 10.1 There were 16 data breaches in 2022-23. Due to the small numbers of data subjects involved and the non-sensitive nature of the data in all cases, the Council decided to resolve the matter internally rather than notify the Information Commissioner's Office (ICO).
- 10.2 The most common type of breach involved emails or letters being sent in error to the wrong individual who usually had a similar name or address as the intended recipient; or in the case of emails sent to multiple recipients - addresses being typed into the CC field rather than the BCC field. In each case, a letter of apology was sent to the affected data subjects and measures were taken internally to prevent recurrence. None of the affected individuals decided to take matters further. Where appropriate, employees were briefed and, if necessary, given additional data protection training.

## **11. Key Risks**

- 11.1 Legacy hardware and operating systems are not being removed at the pace we would like – extended support arrangements are being considered.
- 11.2 There is a current vacancy for an Information Assurance Officer role that is crucial to supporting this area of work in the council. Unfortunately, so far recruitment has been unsuccessful. This poses a risk to the capacity available to support the work laid out in this report.
- 11.3 The volume of priorities being placed on ICT which far outweigh the resource available creates a capacity risk to undertake non-essential activities that support information governance.

## **12. Financial Implications**

- 12.1 The ICO can issue a monetary penalty for failing to comply with the UK GDPR/Data Protection Act 2018. The range of fines can vary

depending on the severity of the breach. In 2019, for example, the London Borough of Newham was fined £145,000 for negligently disclosing the names of over 200 people who appeared on a police database. In 2017, Gloucester City Council was fined £100,000 after 30,000 emails containing sensitive details were downloaded following a cyber-attack. The Information Commissioner found the council did not have sufficient processes in place to make sure its systems had been updated while changes to suppliers were made.

### **13. Legal Implications**

13.1 Failure to handle information correctly or not having the appropriate security measures in place could potentially lead to breach of the legislation and possibly financial and reputational damage to the Council in the form of a monetary fine from the ICO as well as distress to any individuals affected by such incidents. There are therefore direct legal implications including the risk of reputational damage to the Council, adverse publicity, and active monitoring by the ICO.

### **14. Human Resource Implications**

14.1 Not applicable.

### **15. Equality and Diversity Implications**

15.1 Not applicable.

### **16. Climate Change/Sustainability Implications**

16.1 Not applicable.

### **17. Summary of Options**

17.1 Not applicable.

## **18. Conclusion**

- 18.1 The Council will maintain best compliance with data protection and information security requirements through continued training of staff and councillors, appropriate technical measures and regular reviewing of the relevant policies and procedures.

## **19. Background Papers**

None

## **20. Appendices**

None

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Richard Bates  
Joint Executive Head of Finance and s151 Officer  
Guildford Borough Council

14 September 2023

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**Grant Thornton UK LLP**  
30 Finsbury Square  
London  
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Dear Richard

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors are required to report their commentary on the Council's arrangements under specified criteria. 2020/21 is the first year that we are reporting our findings in this way. The three criteria are:

- Financial sustainability
- Governance
- Improving economy, efficiency and effectiveness

The NAO have issued guidance to auditors which states that a commentary covering more than one financial year can be issued where it is more efficient and effective to do so. We have decided to report a combined commentary on the Council's arrangements for 2020/21 and 2021/22. Our work is now complete in relation to the first two criteria – financial sustainability and governance. Further work is required in relation to the improving economy, efficiency and effectiveness criteria.

So as not to delay in sharing key findings we have included the key recommendations identified in our work to date in Appendix 2. Once our work across all three criteria we will report our findings in our joint Auditors Annual Report.

The range of recommendations we can raise are explained in Appendix 1.

Yours sincerely

*Paul Cuttle*

Paul Cuttle, Key Audit Partner  
For Grant Thornton UK LLP, Local Auditor

**Appendix 1**

Type of recommendation	Background	Raised in 2020/21 or 2021/22
Statutory	Written recommendations to the [type of body] under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.	Whilst we have not made any statutory recommendations we note the Council's implementation of a financial recovery plan and proposal for a revised MTFP for approval in October 2023. We will determine whether it is appropriate for us to use our powers to make written recommendations once there is greater clarity on the progress of developing a financial recovery plan that will demonstrate how the Council can deliver a balanced general fund budget post 2023/24, develop financial capacity and produce good quality updated 2021/22 draft financial statements with supporting working papers.
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as 'key recommendations'.	Yes, see Appendix 2.
Improvement	These recommendations, if implemented should improve the arrangements in place at the Council but are not a result of identifying significant weaknesses in the [type of body]'s arrangements.	Yes, to be shared at a later date.



**Appendix 2**

**Financial sustainability Key Recommendation 1**

The Council has already taken steps to implement a financial recovery plan. As part of this plan, the Council must ensure it sets clear milestones for how it will:

- Identify new recurrent saving plans and ensure there is regular reporting on delivery progress. These saving plans need to be owned across the Council by officers and lead members to ensure clear ownership and accountability for delivery.
- Review existing service provisions and consider whether its viable to continue delivering any discretionary services currently provided.
- Increase its level of reserves assuming these will be mostly exhausted balancing the 2023/24 budget.
- Identify how it can divest assets and reduce the cost of capital currently projected.

The Council’s Chief Finance Officer (Section 151 Officer) has a statutory duty to consider issuing a Section 114(3) Notice, where in his view, the current or future expenditure of the authority incurred (including expenditure it proposes to incur) in a budget year is likely to exceed resources (including sums borrowed) available to it to meet that expenditure. The initial assessment is that whilst a balanced budget can be delivered for 2023/24 the newly identified funding gap will require new saving plans. The Council has therefore not issued a Section 114(3) Notice but this will need to be kept under review.

<b>Audit year</b>	2020/21 and 2021/22
<b>Why/impact</b>	Failure to address the current issues with financial sustainability could lead to central government intervention and an inability to effectively delivery key services.
<b>Auditor judgement</b>	We have assessed financial sustainability as a significant weakness. There is a risk the Council does not have the necessary resources to support the current projected deficit after 2023/24.
<b>Summary findings</b>	A £10.2million accounting error was discovered in the treatment of a Covid related grant due to be repaid to government resulting in an overstatement of the 1 April 2022 reserves balance. There was also a £9.6million Covid-related accounting adjustment not considered in the reported reserve balance and the 2022-23 outturn deficit £7million funded from reserves, resulting in a net £16million reduction from the reported £32million available to address the £18.3m MTFP deficit over a three-year period.

**Financial sustainability Key Recommendation 2**

For the Council's financial recovery plan to be a success, a key element of the plan must include actions relating to resourcing of the finance team that will ensure:

- There is sufficient resources and specialist skills to support the day to day running of the finance team.
- Non finance staff are not be completing key financial actions like performing reconciliations.

<b>Audit year</b>	2020/21 and 2021/22
<b>Why/impact</b>	The lack of finance team capacity has contributed to the Council's inability to produce accurate financial statements or audit evidence to support reported balances.
<b>Auditor judgement</b>	We have assessed financial sustainability as a significant weakness. The lack of capacity and experience has impacted the Council's financial position.
<b>Summary findings</b>	<p>As evidenced by the difficulties in producing draft financial statements and working paper to support entries in the accounts plus the Council's review of the post implementation of the new General Ledger and wider Future Guildford project that found that:</p> <ul style="list-style-type: none"> <li>• There are gaps in experience particularly in relation management accounts or commercial finance.</li> <li>• Key technical financial controls relating to bank and income-related reconciliations were being performed by non-finance staff with no specialist finance oversight.</li> <li>• There were deficiencies relating to treasury management and balance sheet management resulting in reconciliations not being routinely performed that has meant financial write-downs have been required.</li> </ul>

**Governance Key Recommendation 1**

The Council needs to complete the following actions:

- The finance team re-issue the 2021/22 and 2022/23 draft financial statements to take into accounts amendments arising from the audit of the 2020/21 financial statements.
- The entries in the updated financial statements are supported by good quality working papers which are available from the start of the audit.

<b>Audit year</b>	2020/21 and 2021/22
<b>Why/impact</b>	The Council's inability to produce accurate financial statements or audit evidence to support reported balances in the 2020/21 has resulted in the audit being significantly delayed. There are implications on future years, as linked to Key Recommendation 4, there is a risk that underlying issues regarding financial information used to inform current decision making is inaccurate.
<b>Auditor judgement</b>	We have assessed governance as a significant weakness. There are pervasive weaknesses in final accounts processes leading to material errors in the presentation of the 2020/21 draft accounts.
<b>Summary findings</b>	Since the implementation of new general ledger system the Council struggled to produce draft accounts, missing the statutory deadline for submission of draft statements, and then, in a number of areas, struggled to produce good quality working papers to support entries in the accounts. This meant there was significantly more work required and time taken to complete the audit. The draft accounts also required a significant number of adjustments that included the error referenced in Key Recommendation 1.

**Governance Key Recommendation 2** As part of updating the 2021/22 and 2022/23 draft financial statements the Council needs to undertake a review to ensure revised balances are fully supported and reconcile to the General Ledger. Opening balances have materially changed since the draft accounts were prepared and many of the control weaknesses identified in the 2020/21 Audit Findings Report are applicable to 2021/22 and 2022/23.

<b>Audit year</b>	2021/22
<b>Why/impact</b>	The lack of finance team capacity has contributed to the Council's inability to produce accurate financial statements or audit evidence to support reported balances.
<b>Auditor judgement</b>	We have assessed governance as a significant weakness. It remains unclear whether issues with underlying financial information for 2021/22 onwards is accurate. Current decision making, including the Council's financial recovery plan, could be based on incorrect financial information.
<b>Summary findings</b>	<p>The Council's draft 2020/21 included material errors that impacted all of the primary statements. As per Key Recommendation 3, the draft financial statements for 2021/22 and 2022/23 require updating as opening balances are based on incorrect information taken from the draft 2020/21 accounts.</p> <p>Whilst working papers were provided to support revised balances in the 2020/21 financial statements it is unclear whether issues relating to the implementation of the new General Ledger have been resolved for 2021/22 and 2022/23. The Council acknowledges key reconciliations will have been completed by non finance staff during these year. Additionally, our 2020/21 Audit Findings Report identified 20 control findings and whilst actions going forward have been agreed with management many of these weaknesses will have applied during 2021/22 and 2022/23.</p>

# Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 28 September 2023

Ward(s) affected: n/a

Report of Director: Transformation & Governance

Author: John Armstrong

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Lead Councillor responsible: Merel Rehorst-Smith

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Report Status: Open

## Corporate Governance & Standards Committee Annual Report: 2022-23

### 1. Executive Summary

- 1.1 Following receipt of an internal audit report on the effectiveness of the Committee, which was considered on 24 March 2022, one of the recommendations was that the Committee should report at least annually to the Council on its activities and an assessment of its performance in discharging its responsibilities as defined in the Committee's terms of reference.
- 1.2 The first of these annual reports, for the municipal year 2021-22, was considered by the Council on 8 February 2023. The annual report for the 2022-23 municipal year, is attached as **Appendix 1**.

## **2. Recommendation to Committee**

- 2.1. The Committee is asked to review its annual report for 2022-23 and recommend its adoption by full Council (on 10 October 2023).

## **3. Reasons for Recommendation:**

- 3.1 To ensure that the Committee is accountable for its work to the full Council.

## **4. Exemption from publication**

- 4.1. No

## **5. Purpose of Report**

- 5.1. The purpose of this report is to ask the Committee to review its annual report for the 2022-23 municipal year and commend its adoption by the full Council at its next ordinary meeting.

## **6. Strategic Priorities**

- 6.1 The contents of the report are consistent with the following Values set out in the Council's Strategic Framework (2021-2025):
  - We will listen to the views of residents and be open and accountable in our decision-making.
  - We will deliver excellent customer service.
  - We will spend money carefully and deliver good value for money services.
  - We will ensure that our councillors and staff uphold the highest standards of conduct.

## **7. Background**

- 7.1 Following receipt of an internal audit report on the effectiveness of the Committee, which was considered on 24 March 2022, one of the recommendations was that the Committee should report at least annually to the Council on its activities and an assessment of its performance in discharging its responsibilities as defined in the Committee's terms of reference.
- 7.2 The first of these annual reports, for the municipal year 2021-22, was considered by the Council on 8 February 2023. The annual report for the 2022-23 municipal year, is attached as **Appendix 1**.

## **8. Financial Implications**

- 8.1 There are no direct financial implications in respect of this report.

## **9. Legal Implications**

- 9.1 Whilst production of an annual report on the activities of the committee is not a legal requirement, it is recognised as best practice. There are no direct legal implications arising from this report.

## **10. Human Resource Implications**

- 10.1 There are no direct human resource implications in respect of this report.

## **11. Equality and Diversity Implications**

- 11.1 Public authorities are required to have due regard to the aims of the Public Sector Equality Duty (Equality Act 2010) when making decisions and setting policies. This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from it.

## **12. Climate Change/Sustainability Implications**

- 12.1 There are no direct climate change/sustainability implications arising from this report.

## **13. Summary of Options**

- 13.1 The Committee can either refer the Annual Report, as drafted, to full Council, or amend it as appropriate before it is referred to full Council.

## **14. Background Papers**

None

## **15. Appendices**

Appendix 1: Draft Annual Report of the Corporate Governance & Standards Committee 2022-23



## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

### ANNUAL REPORT 2022-23

This report details the work undertaken by the Corporate Governance and Standards Committee over the 2022-23 municipal year. The purpose of this annual review of the work of the Committee is to help Members review the previous year’s work and plan for the coming year.

In 2022-23, the Committee met on seven occasions. Additionally, the Committee met informally with the Council’s internal and external auditors in March 2023.

The membership of the Committee in 2022-23, and their individual attendance record, was as follows:

<b>Appointed councillors</b>	<b>Actual Attendance</b>	<b>% Attendance</b>
Cllr Ruth Brothwell*	2/2	100
Cllr Liz Hogger	1/7	14
Cllr Nigel Manning	3/7	43
Cllr Susan Parker	6/7	86
Cllr George Potter	7/7	100
Cllr Tony Rooth**	2/5	40
Cllr Deborah Seabrook	7/7	100
Cllr James Walsh	5/7	71
<b>Co-opted Independent Members:</b>		
Mrs Maria Angel MBE	4/7	57
Mr Murray Litvak	5/7	38
<b>Co-opted Parish Members:</b>		
Ms Julia Osborn	7/7	100
Mr Ian Symes	4/7	57
Mr Tim Wolfenden	5/7	71

\* from January 2023

\*\* to November 2022

The attendance at most meetings by the Lead Councillors with audit and finance, and governance portfolio responsibilities ensures that the Committee maintains direct communication with the Executive.

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Article 10 of the Council's Constitution limits the number of Executive members permitted to be members of the Committee to one, and they are also not permitted to be either chairman or vice-chairman of the Committee.

The Committee was supported at every meeting by the Section 151 Officer (Chief Finance Officer), the Lead Specialist – Finance (Deputy Section 151 Officer), the Monitoring Officer, and the Democratic Services and Elections Manager (Deputy Monitoring Officer).

The frequency of meetings ensures the Committee can fulfil its responsibilities in an efficient and effective way.

### **Purpose of the Annual Report**

At its meeting on 24 March 2022, the Committee considered an Internal Audit Report from KPMG on the effectiveness of the Committee. One of the recommendations to management was the preparation of an annual report to full Council on an assessment of the performance of the Committee during the year.

The Committee agreed at its March 2022 meeting to review its terms of reference, which was conducted by the Corporate Governance Task Group, who reported back to the Committee in June 2022. The Council adopted the revised terms of reference in July 2022 (see **Annex 1**).

The core functions of the Committee, which were not changed following adoption of the revised terms of reference, are to consider the Council's arrangements relating to:

- Audit and Accounts activity;
- Corporate Governance activity; and
- Ethical Standards activity

This annual report to full Council demonstrates the importance the Council places on the authority's governance and audit arrangements. The report on the work of the Committee provides assurance to the Council how the Committee is working towards:

- fulfilling its agreed terms of reference and adopted recommended practice; and
- strengthening risk management, internal control and governance arrangements.

This report also underpins the Annual Governance Statement, which is approved by this Committee.

### **Summary of work activity undertaken in 2022-23**

A table showing the reports considered by the Committee in 2021-22 can be found in **Annex 2**. The main outcomes of the Committee's work in relation to its core functions can be summarised as follows:

#### **Audit and Accounts Activity**

##### **External Audit**

In a normal year, the Committee would be expected to approve the Council's audited Statement of Accounts and consider the external auditor's findings and management's response in that regard. However, due to a number of factors it was not possible to adopt the 2020-21 accounts during the 2022-23 municipal year. Grant Thornton, the Council's external auditors, reported an update on progress with the audit to the Committee at its meeting on 28 July 2022.

##### **Internal Audit**

During 2022-23, the Committee considered reports from the Council's outsourced internal auditors, KPMG, in relation to the following activities:

- Performance Monitoring Arrangements. (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- Customer Services Complaints Handling (Outcome: **Amber/Red** - Partial assurance with improvement required) KPMG issued one high priority recommendation which related to meeting agreed timescales for acknowledgement and response to complaints.
- Core Financial Controls: Payroll (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- Corporate Risk Management (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- IT Infrastructure for Remote Working (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- Corporate Programmes –Redevelopment Projects (Outcome: **Amber/Red** - Partial assurance with improvement required) KPMG issued one high priority recommendation which related to the Weyside Urban Village Development and, specifically, to the importance of monitoring the

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Council's contractual spend against the original contracted value and where there were large variances, to involve procurement and legal advice as per the Council's Procurement Procedure Rules.

- Financial Controls: Budgetary Controls (Outcome: Amber/Red - Partial assurance with improvement required) KPMG issued two high priority recommendations, the first related to securing tighter control on unbudgeted staff expenditure by finalising the HR establishment listing that outlines the total staffing numbers at the Council, and the second related to ensuring that the underlying forecasted revenue and expenditure from service areas were complete and accurate, by implementing a formal process for review and challenge of forecasts.
- Financial Controls: General Ledger (Outcome: Amber/Green - significant assurance with minor improvement opportunities)
- Controls over Receipt and Expenditure of Section 106 Contributions (Outcome: Amber/Green - significant assurance with minor improvement opportunities)
- Controls around the Preparation and Posting of Journals (Outcome: Amber/Green - significant assurance with minor improvement opportunities)
- Additional Review of the Payroll Budget Discrepancy against the expected control environment (Outcome: Amber/Red - Partial assurance with improvement required) KPMG issued two high priority recommendations, the first was to undertake a review to finalise the Council's establishment, and once finalised, to formally implement a regular payroll monitoring and reconciliation process to ensure that it is accurate and up to date; the second was to implement a formalised, clear and consistent process of Finance oversight of corporate programmes.

As part of their 2022-23 internal audit plan, KPMG had also followed up actions in previously audited areas and had prioritised looking at the 2021-22 reviews which had received 'no assurance' or 'partial assurance with improvements required', alongside a sample of reviews which received 'significant assurance with minor improvement opportunities'.

During the year, the Committee received update reports on progress against actions identified in the following internal audit reports:

- Customer Services Complaints Handling (following on from the report referred to above)
- Safeguarding Arrangements (following on from an internal audit report issued in November 2021)

Following completion of all the programmed activities in the internal audit plan for 2022-23, KPMG had also produced their Head of Internal Audit Opinion for 2022-23, for which significant assurance with minor improvement opportunities had been given on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

The Council's contract with KPMG as its internal audit provider ended on 31 March 2023. At its March 2023 meeting, the Committee approved the Internal Audit Charter and Internal Audit Plan for 2023-24 presented to it by the Council's new provider, Southern Internal Audit Partnership, in accordance with the requirements of the Public Sector Internal Audit Standards.

### **Accounts**

The Committee provides financial scrutiny of the Council's accounts by continuing to receive regular financial monitoring reports which summarise the projected outturn position for the Council's general fund revenue account, based on actual and accrued data for each reporting period.

In addition to the monitoring reports, in September 2022, the Committee considered a report which summarised the emerging financial position against the approved 2022-23 budget and highlighted the pressures on the already stretched Medium Term Financial Plan (MTFP).

The Committee also considered outturn reports for the 2021-22 financial year in respect of:

- Capital and Investment Strategy
- Housing Revenue Account
- General Fund Revenue Account

As part of the budget setting process each year the Committee also considers the Capital and Investment Strategy before it is considered by the Executive and adopted by full Council at its Budget Meeting.

### **Corporate Governance Activity**

The Committee has considered a range of reports relating to corporate governance activities within its terms of reference.

#### **Annual Governance Statement**

One of the key aspects of the Committee's corporate governance activity is to consider and approve the Council's Annual Governance Statement (AGS) in

advance of the formal approval of the Statement of Accounts. The AGS is a statutory requirement which sets out the Council's governance framework and procedures operating at the Council during the year, reviews their effectiveness, and identifies any significant governance issues occurring during the year.

The Committee noted that the 2021-22 AGS, had acknowledged the ongoing significant challenges (both financial and organisational) placed on the Council due to the Covid 19 pandemic, which came at a time when the Council was finalising a major organisational transformation (Future Guildford).

Consequently, there were a number of significant governance issues identified during the year, some of which were Covid related, and it was recognised that although there had been improvement in the governance arrangements in place, we were not yet back to our pre-transformation and pre-COVID high levels of governance.

### Monitoring Reports

In respect of its monitoring role, the Committee has considered and made specific requests for improvements in terms of layout and information provided in relation to the following key monitoring reports:

- Planning Appeals Monitoring Report
- Section 106 Monitoring

### Risk Management

Following audit recommendations from KPMG in March 2021, the Committee had monitored the work undertaken to improve the Council's risk management processes, in particular the development of a new Risk Management Framework. Consequently, in April 2022, the Committee considered the proposed Corporate Risk Register and Risk Management Strategy and Policy and had made a number of comments to the Executive to inform its decision taken on 28 April 2022 to approve the Risk Register and the Strategy and Policy. In November 2022, the Committee considered a further report on the changes made to the corporate risk register since it was last presented to the Committee in April 2022. That report also detailed how the new process continued to achieve the desired outcomes set out in the Risk Management Strategy and Policy as well as setting out changes made to the Strategy and Policy by the Risk Management Group.

The Committee made a number of recommendations to the Risk Management Group in respect of future reports in terms of content and presentation.

### Equalities

In relation to equalities, the Committee considers and reviews on an annual basis the Council's Equality Scheme and updates to the Action Plan, as well as the Gender Pay Gap Report, although following consideration of the 2023 Gender Pay Gap Report, the Committee agreed that in future, it would be circulated to committee members for information rather than as a formal report to Committee.

### Information Management

In relation to information management, the Committee receives biannual reports on the Council's performance in responding to Freedom of Information requests, together with update reports on Data Protection and Information Security initiatives.

Following a fall in performance standards in respect of responses to Freedom of Information requests during 2020-21, which was largely due to the Covid pandemic lockdown and corporate restructures, performance rates for timely delivery of responses within the 20-working day deadline had since improved over the 2021-22 financial year as well as during the first half of the 2022 calendar year and beyond.

### Councillor task groups reporting to the Committee

The Committee is responsible for monitoring the work of two cross party councillor working groups, the Councillor Development Steering Group and the Corporate Governance Task Group. This is done at least annually, or on a more frequent basis whenever it is necessary for either group to report to the Committee on any matter requiring a formal decision, or recommendation to the Executive or full Council.

During the 2022-23 municipal year, the Committee considered the following matters referred to it by the Corporate Governance Task Group:

- Review of the Committee's terms of reference (June 2022 – see **Annex 1**)
- Protocol for Commercial Presentations to Councillors (July 2022)
- Review of the Probity in Planning Local Code of Practice - Handbook for Councillors and Officers (January 2023)

In addition, the Committee may be asked to consider any relevant corporate governance related issue referred to it by the Joint Chief Executive, a Director, the Leader/Executive, or another committee. No such referrals were made in 2022-23.

**Ethical Standards Activity**

In March 2023, the Committee considered the Annual Report of the Monitoring Officer on Misconduct Allegations dealt with during the 2022 calendar year.

Only four complaints were received in 2022 (which was a significant reduction compared to the two previous years), two complaints related to borough councillors, and two were against parish councillors. There were also three complaints which had started in 2021, two of which proceeded to stage 6, Hearings Sub-Committee, which met in September 2022.

The Committee expressed concern over the lengthy timescales built into the Arrangements for dealing with Misconduct Allegations, which meant that complaints often took more than a year to deal. Consequently, the Corporate Governance Task Group undertook a review of the Arrangements, which concluded in April 2023. The Task Group's findings will be fed into the work of the Joint Constitutions Review Group, which was established jointly by the Committee and Waverley's Standards & General Purposes Committee.

In considering the Annual Report, the Committee agreed the following action to increase openness and transparency in the complaints process:

- (1) That decision notices following determination of a complaint by the Hearings Sub-Committee be published on the Councillor Conduct webpages on the Council's website, together with a link to the relevant committee pages.
- (2) That the information provided in the Annual Report showing details of complaints received, and decisions taken in relation to Allegations of Misconduct for the previous calendar year be posted on the Councillor Conduct webpages and updated as appropriate by the Monitoring Officer at least twice per year to show decisions taken in respect of those complaints, and new complaints received.
- (3) That links to the latest Monitoring Officer Annual Report to the Corporate Governance and Standards Committee be included in the Councillor conduct webpages.



## **Training and Development**

During 2022-23, the new councillor induction programme was being put together for implementation following the Borough Council elections in May 2023. Induction training sessions in respect of the following relevant matters were included in the programme:

- Overview of role of Corporate Governance and Standards Committee
- Introduction to Local Government Finance
- Ethical Standards
- Data Protection and Freedom of Information
- Equality and Diversity

Further training will need to be provided for the Committee in respect of the following matters:

- Treasury Management
- Introduction to Investment and Strategy,
- Overview of Local Government Financial Reporting and Guide to the Accounting Statements

One of the recommendations contained in the Internal Audit Report from KPMG on the effectiveness of the Committee considered on 24 March 2022, was to note that the Chartered Institute of Public Finance and Accountancy (CIPFA) provided a knowledge and skills framework which included core areas of knowledge, specialist areas of knowledge and core skills against which members of the Committee should be assessed.

CIPFA subsequently confirmed that they were in the process of reviewing their knowledge and skills framework, which would form part of their revised *Audit Committees: Practical Guidance for Local Authorities and Police*, a copy of which was received in November 2022.

It was proposed that this assessment should be made following the Borough Council elections with future training and development targeted at identified skills and knowledge gaps. This piece of work is still outstanding.

## **Action Tracker**

The Committee maintains and decisions and action tracker, which is reviewed and updated at each meeting.

### **Work Programme**

The Committee maintains a 12-month rolling-work programme, which is reviewed and updated at each meeting. It also includes unscheduled reports.

### **Looking Forward**

Following the Borough Council elections In May 2023, the Committee has a considerable number of matters to deal with on its work programme.

Through the receipt of regular reports, the Committee will provide the usual level of robust challenge to corporate governance and audit practice and procedure across the authority to ensure that our arrangements are up to date and fit for purpose, communicated, embedded and routinely complied with. In addition, the Committee will request and consider reports in relation to relevant matters which come to its attention during the course of the year.

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## **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE**

### **TERMS OF REFERENCE**

#### **Statement of purpose**

The Committee has a dual purpose both as an audit committee and a standards committee.

The Committee is a key component of the authority's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Committee is to provide independent assurance to councillors of the adequacy of the risk management framework and the internal control environment. It provides independent review of the authority's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

With regard to standards, the Committee promotes high standards of conduct by councillors and co-opted members and oversees the arrangements for dealing with allegations of misconduct.

#### **Audit and Accounts Activity**

1. To consider reports on the summary of internal audit activity (actual and proposed) and the level of assurance that it can give over the Council's corporate governance arrangements and monitor the progress of high priority actions arising from audit recommendations
2. To consider reports dealing with the management and performance of the providers of the internal and external audit functions.
3. To approve the Internal and External Audit Plans, and significant interim changes.
4. To consider the external auditor's annual letter (including their audit fee), relevant reports (both financial and strategic) and the report to those charged with governance.
5. To consider specific reports submitted by the internal or external auditors

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6. To comment on the scope and depth of internal and external audit work and ensure that it gives value for money.
7. To review and approve the annual statement of accounts and Audit Findings Report with specific emphasis on whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
8. To consider reports on the Capital and Investment Strategy prior to their referral to the Executive and Council
9. To consider budget monitoring reports at least on a quarterly basis.

### **Corporate Governance Activity**

10. To monitor and review the operation of the Council's Constitution, particularly in respect of financial procedures and protocols, procurement procedures and guidelines and make recommendations, as appropriate, in respect of any proposed amendments to the Executive and Council.
11. To consider the Council's arrangements for corporate governance and to recommend such actions necessary to ensure compliance with best practice, together with any relevant corporate governance related issues referred to the Committee by the Joint Chief Executive, a Director, the Leader/Executive or any other committee of the Council.
12. To monitor the effective development and operation of risk management undertaken throughout the Council including the review of the Corporate Risk Register.
13. To consider and approve the Council's Annual Governance Statement in advance of the formal approval of the Council's Statement of Accounts.
14. To consider an annual report of the operation of the whistle-blowing policy, including incidents reported
15. To monitor and audit the Council's equality and diversity policies and approve the Equality Scheme and associated action plan.
16. To monitor bi-annually the Council's performance in dealing with Freedom of Information and Environmental Information Regulations requests.
17. To monitor the Council's progress on various data protection and information security initiatives.

18. To consider annual reports on the work of task groups appointed by the Committee, together with other matters submitted to the Committee periodically by those task groups
19. To consider bi-annually Planning Appeals Monitoring Reports and S106 Monitoring Reports
20. To consider an annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000

### **Ethical Standards Activity**

21. To promote and maintain high standards of conduct by councillors and co-opted members<sup>1</sup>
22. To advise the Council on the adoption or revision of the Councillors' code of conduct.
23. To advise, train or arrange to train councillors and co-opted members on matters relating to the code of conduct.
24. To agree arrangements for the selection and interviewing of candidates for appointment as Independent Persons (including such joint arrangements with other councils as may be deemed by the Monitoring Officer to be appropriate) and to make recommendations to full Council on these appointments.
25. To agree allowances and expenses for the Independent Person and any Reserve Independent Persons
26. To grant dispensations, after consultation with the independent person, to councillors and co-opted members with disclosable pecuniary interests.
27. To monitor and review the operation of the Code of Conduct for Staff and the Protocol on Councillor/ Officer Relations and to make recommendations as appropriate to Council in respect of any necessary amendments.
28. To consider the Monitoring Officer's Annual Report on misconduct complaints against councillors, and any other matter referred by the Monitoring Officer.

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<sup>1</sup> A "co-opted member" for this purpose is, defined in the Localism Act section 27 (4) as "a person who is not a member of the authority but who

(a) is a member of any committee or sub-committee of the authority, or

(b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority; and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee".

Reference to councillors or co-opted members in paragraphs 30 and 31 includes councillors or co-opted members of parish councils in the Council's area.

**Accountability arrangements**

To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.

To report annually to full Council on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

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**CORPORATE GOVERNANCE AND STANDARDS COMMITTEE ACTIVITY – 2022/23**

**Annex 2**

<b>REPORTS</b>	<b>Jun 2022</b>	<b>Jul 2022</b>	<b>Sep 2022</b>	<b>Oct 2022*</b>	<b>Nov 2022</b>	<b>Jan 2023</b>	<b>Mar 2023</b>
<b>Annual Reports</b>							
Equality Scheme and Action Plan							
Review of Task Groups Reporting to the Committee							
Planning Appeals Monitoring Report							
Annual Governance Statement 2021-22							
Capital and Investment Outturn Report 2021-22							
Housing Revenue Account Final Accounts 2021-22							
General Fund Revenue Outturn Report 2021-22							
Councillor Training and Development Update							
Capital and Investment Strategy (2023-24 to 2027-28)							
Annual Report of the Corp. Gov & Standards Cttee 2021-22							
Annual Report of the Monitoring Officer - Misconduct Allegations							
Gender Pay Gap Report 2023							
<b>Regular Reports</b>							
Corporate Performance Monitoring**							
Financial Monitoring							
Internal Audit Progress Reports							
Freedom of Information Compliance Update							
Data Protection and Information Security Update Report							
Section 106 Monitoring							
Risk Management and Corporate Risk Register							
Decision and Action Tracker							
Committee Work Programme							
<b>Other reports received in accordance with terms of reference</b>							
Review of the Committee’s Terms of Reference							
Protocol for Commercial Presentations to Councillors							
External Audit Progress Report (2020-21 audit)							
Budget Pressures 2022-23 and Medium-Term Financial Plan							

<b>REPORTS</b>	<b>Jun 2022</b>	<b>Jul 2022</b>	<b>Sep 2022</b>	<b>Oct 2022*</b>	<b>Nov 2022</b>	<b>Jan 2023</b>	<b>Mar 2023</b>
Future of Internal Audit							
Review of Probity in Planning Local Code of Practice - Handbook							
Safeguarding - Internal Audit Report Update							
Complaints Handling Audit Report Actions Update							
Internal Audit Charter 2023-24							
Internal Audit Annual Plan 2023-24							

\* special meeting

\*\* the quarterly Corporate Performance Monitoring Reports are now considered by the Overview & Scrutiny Committee

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# **Guildford Borough Council**

**Report to:** Corporate Governance and Standards Committee

**Date:** 28 September 2023

**Ward(s) affected:** n/a

**Report of Director:** Transformation & Governance

**Author:** John Armstrong, Democratic Services & Elections Manager

**Tel:** 01483 444102

**Email:** john.armstrong@guildford.gov.uk

**Report Status:** Open

## **Corporate Governance and Standards Committee – 12 month rolling Work Programme**

### **1. Executive Summary**

- 1.1 The Committee is asked to consider its 12-month rolling work programme, which is set out in Appendix 1.

### **2. Recommendation to Committee**

- 2.1 That the Committee considers and approves its updated 12 month rolling work programme, as detailed in Appendix 1 to this report.

### **3. Reason(s) for Recommendation:**

- 3.1 To allow the Committee to maintain and update its work programme.

### **4. Exemption from publication**

- 4.1. This report and any part of it is not exempt from publication.

**5. Purpose of Report**

- 5.1 The draft work programme attached as Appendix 1 sets out the items scheduled to be considered by this Committee at its meetings over the next 12 months.

**6. Draft work programme**

- 6.1 The draft work programme for the Corporate Governance and Standards Committee is set out in Appendix 1 to this report. The timing of the reports contained in the work programme is subject to change, in consultation with the chairman. The items to be considered include decisions to be made by the Executive and/or full Council, with consideration of any comments or recommendations made by this Committee.

**7. Financial Implications**

- 7.1 There are no financial implications arising directly from this report.

**8. Legal Implications**

- 8.1 There are no legal implications arising directly from this report.

**9. Human Resource Implications**

- 9.1 There are no human resources implications arising directly from this report.

**10. Background Papers**

None

**11. Appendices**

Appendix 1: Corporate Governance and Standards Committee 12 month rolling work programme

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

**16 November 2023**

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment Outturn Report 2022-23	To submit any comments to the Executive, prior to determination by full Council.	Council: 5 December 2023 On the recommendation of: Corporate Governance and Standards Committee Executive: 23 November 2023	Victoria Worsfold 01483 444834
Revenue Outturn Report 2022-23	To submit any comments to the Executive.	Executive: 23 November 2023 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Housing Revenue Account Final Accounts 2022-23	To submit any comments to the Executive	Executive: 23 November 2023 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Annual Governance Statement 2022-23	To adopt the Council's Annual Governance Statement 2022-23	Corporate Governance and Standards Committee On the recommendation of: Executive: 19 October 2023	Victoria Worsfold 01483 444834
Financial Monitoring 2023-24: Period 6 (April to September 2023)	To note the results of the Council's financial monitoring for the period April to September 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834

**CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME**

Internal audit 2023-24 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062
Whistle-blowing Policy	To consider the Annual Report 2022-23 and the review of the current Policy	Executive: 23 November 2023  On the recommendation of: Corporate Governance and Standards Committee (review of Policy)	Susan Sale 01483 444022
Monitoring of S.106 Contributions	To consider a further monitoring report on S.106 Contributions as requested by the Committee at its July meeting.	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
Regulation of Investigatory Powers Act 2000	To consider an annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Freedom of Information Compliance update	To consider the update report on the Council's performance in dealing with Freedom of Information requests (April to September 2023)	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Councillor Training and Development Update	To consider a report from the Councillors' Development Steering	Corporate Governance and Standards Committee	Sophie Butcher 01483 444056

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

	Group relating to councillor training and development		
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### 18 January 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and investment strategy (2024-25 to 2027-28)	To comment on various recommendations to the Executive and Council	Council: 7 February 2024  On the recommendation of: Corporate Governance and Standards Committee Executive: 25 January 2024	Victoria Worsfold 01483 444834
Financial Monitoring 2023-24 Period 8 (April to November 2023)	To note the results of the Council's financial monitoring for the period April to November 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit 2023-24 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Safeguarding	To consider report detailing progress against the approved Strategic Safeguarding Group Action Plan 2023-24	Corporate Governance and Standards Committee	Sam Hutchison Tel: 01483 444385
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463

**CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME**

**(Wednesday) 13 March 2024**

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Annual report of the Monitoring Officer regarding misconduct allegations	(1) To note the cases dealt with; and  (2) To advise the Monitoring Officer of any areas of concern upon which they would like further information and/or further work carried out.	Corporate Governance and Standards Committee	Monitoring Officer 01483 444991
Financial Monitoring 2023-24 Period 10 (April 2023 to January 2024)	To note the results of the Council's financial monitoring for period April 2023 to January 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit 2023-24 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Internal Audit Plan for 2024-25	To consider the draft 2024-25 internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Internal Audit Charter for 2024-25	To consider the Internal Audit Charter for 2024-25	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Equality Scheme Action Plan	Annual monitoring report on the implementation of the actions in the Equality Scheme action plan approved in June 2021	Corporate Governance and Standards Committee	Ali Holman 01483 444008

**CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME**

**June 2024**

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Review of Task Groups reporting to the Committee	To review the work carried out by the task groups over the past 12 months and work to be carried put in the next 12 months and appoint councillors to the groups	Corporate Governance and Standards Committee	John Armstrong 01483 444102
Freedom of Information Compliance - Annual Report 2023-24	To consider the annual report for 2023-24 on the Council's performance in dealing with Freedom of Information requests.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
Planning Appeals	To consider the annual monitoring report of the Council's performance at appeals against refusal of planning permission.	Corporate Governance and Standards Committee	Claire Upton-Brown 01483 444316
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor's update report and make any appropriate comments.  To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062



## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

### July 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment Outturn Report 2023-24	To submit any comments to the Executive, prior to determination by full Council.	Council: October 2024 On the recommendation of: Corporate Governance and Standards Committee Executive: August 2024	Victoria Worsfold 01483 444834
Revenue Outturn Report 2023-24	To submit any comments to the Executive.	Executive: August 2024 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Housing Revenue Account Final Accounts 2023-24	To submit any comments to the Executive	Executive: August 2024 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Financial Monitoring 2024-25 Period 2 (April/May 2024)	To note the results of the Council's financial monitoring for the period April/May 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal Audit Annual Report 2023-24.	To consider the Internal Audit Annual Report 2023-24	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Annual Governance Statement 2023-24	To adopt the Council's Annual Governance Statement 2023-24	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834

**CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME**

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
		On the recommendation of: Executive: July 2024	

**September 2024**

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Financial Monitoring 2024-25 Period 4 (April to July 2024)	To note the results of the Council's financial monitoring for the period April to July 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Annual Governance Statement 2023-24	To adopt the Council's Annual Governance Statement 2023-24	Corporate Governance and Standards Committee On the recommendation of: Executive: September 2024	Victoria Worsfold 01483 444834
Data Protection and Information Security Update Report	To consider the annual update on compliance with statutory requirements	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Annual Report of the Corporate Governance & Standards Committee	To consider the Annual Report for 2023-24	Council: October 2024  On the recommendation of: Corporate Governance and Standards Committee	John Armstrong 01483 444102

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

### Unscheduled

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
2021-22 Audit Findings Report: Year ended 31 March 2022	To note the external auditor's findings and management's response in the Action Plan	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Final 2021-22 Audited Statement of Accounts	To approve the 2021-22 Statement of Accounts	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
External Audit Plan and Audit Update and Fee Letter 2021-22	To approve the external audit plan for 2021-22, and to note the content of the External Auditor's update report and make any appropriate comments.  To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor's update report and make any appropriate comments.  To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed

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