

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

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

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| * Mrs Maria Angel (Independent Member) | * Mr Charles Hope (Parish Member) |
| * Councillor Philip Brooker | * Councillor Mike Hurdle |
| * Councillor Colin Cross | Councillor Jennifer Jordan |
| Councillor David Elms | Ms Gerry Reffo (Parish Member) |
| | * Mr Ian Symes (Parish Member) |

*Present

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

CGS33 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor David Elms, Councillor Jennifer Jordan and Ms Gerry Reffo.

In accordance with Council Procedure Rule 23(j), Councillor Richard Billington attended as a substitute for Councillor Jordan.

CGS34 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

There were no disclosures of interest.

CGS35 MINUTES

The Committee confirmed the minutes of the meeting held on 24 September 2015. The Chairman signed the minutes.

CGS36 REVIEW OF ARRANGEMENTS FOR INVESTIGATING ALLEGATIONS OF BREACHES OF THE COUNCILLORS' CODE OF CONDUCT

Mr Paul Hoey, of Hoey Ainscough Associates Ltd., gave a presentation summarising the review of Guildford Borough Council's procedures for investigating allegations of breaches of the Councillors' code of conduct. The presentation highlighted the following points:

- The current process for dealing with complaints was in line with best practice across the country.
- Guildford Borough Council had a strong cadre of officers with a wide experience of handling cases, who were able to deal effectively with governance and standards issues.
- The Council could consider a different approach when dealing with high profile cases, with a greater focus on communication, in order to maintain public confidence in the process.
- The Corporate Governance and Standards Committee needed to place a greater emphasis on monitoring standards issues in its work programme as audit issues often took precedence. This would help to demonstrate that the Council takes high standards of conduct seriously.

- There was a need for a clear protocol for dealing with complaints involving jurisdictional overlap, particularly those that allege criminal activity.

Questions from the Committee raised the following points and information:

- The Committee noted that the code of conduct only applied when a councillor was discharging their role as a councillor.
- The Committee was informed that frivolous complaints would be disregarded at an early stage in the case handling process, before any investigation was carried out.
- The Committee noted that a confusion had arisen in the Council's constitution, regarding the role of co-opted parish members of the Committee when dealing with complaints against parish councillors. This should be further considered as part of a review.
- Officers had taken an "arm's length" approach to this review to ensure that the Council and members of the public were confident that the substance of the report had not been unduly influenced and that the recommendations followed best practice elsewhere.

The Committee agreed that the detail of the recommendations contained in the report would need to be examined, in order to determine how the recommendations would operate within the local context of Guildford Borough Council. It was agreed that a cross party working group was best suited to completing this work. The membership of this working group would include one co-opted parish member with substitute arrangements, one statutory independent person and Councillor Nigel Manning, the Lead Councillor, attending in an ex-officio capacity. Nominations to serve on the working group were invited at the meeting.

The Committee,

RESOLVED

- 1) To note outcome of the review and presentation from the author, Hoey Ainscough Associates Ltd.
- 2) That a working group be established to examine the detail of the recommendations contained in the report.
- 3) That the following nominations to serve on the working group be noted

Councillor Colin Cross
Councillor Mike Hurdle
Councillor Gordon Jackson
Councillor Nigel Manning (on an ex-officio basis)
Councillor Jo Randall
Mr Ian Symes (with Mr Charles Hope as substitute parish member)

Reason for Decision: To Comply with the former leader's request for a review and to ensure that the Council's Code of Conduct remains fit for purpose and in accordance with best practice.

CGS37 EXTERNAL AUDIT UPDATE

The Committee considered a report from the Council's external auditors, Grant Thornton, covering the progress of the 2015-16 external audit and the 2014-15 grant claims audit up to November 2015.

The Committee was informed that initially, in order to add a premium to business rates an elected mayor would need to be in place. However, the latest briefings seem to suggest that the mandatory requirement for this system of governance may not apply in county areas.

Having considered the report, the Committee

RESOLVED to note the contents of the External Auditor's report.

Reason for Decision: To enable the Committee to consider and comment on the update report.

CGS38 ANNUAL AUDIT LETTER

The Committee considered the Annual Audit Letter issued by the external auditors, Grant Thornton.

The Committee

RESOLVED to note the content of the Annual Audit Letter.

Reason for Decision: To note the Annual Audit Letter

CGS39 FINANCIAL MONITORING 2015-16 - PERIOD 6 (APRIL TO SEPTEMBER 2015)

The Committee considered a report that set out the financial monitoring position for period 6 (April to September 2015).

Questions from the Committee raised the following points and information:

- The Committee was informed that officers were examining the staffing structure within the housing team to identify efficiencies that could be made in order to mitigate the impact of the cut to social housing rent.
- The Committee heard that the impact of the enforced sale of tenanted stock would have a significant effect on the housing revenue account. The government was being lobbied on this issue.
- The Committee was informed that there had been difficulties in recruiting and retaining good quality staff, which had led to a reduction in the net expenditure. However, problems of risk and governance that occur are usually related to systems and processes rather than a lack of staff.

Having considered the report, the Committee

RESOLVED to note the results of the Council's financial monitoring for the period April to September 2015.

Reason for Decision: To allow the Committee to undertake its role in relation to scrutinising the Council's finances.

CGS40 TREASURY MANAGEMENT ACTIVITY - HALF-YEAR MONITORING REPORT 2015-16

The Committee considered the Treasury Management Activity half-year monitoring report for 2015-16.

Questions from the Committee raised the following points and information:

- The government's budget announcements would not have any effect on the overall investment strategy.
- The Council was not protected by the financial services compensation scheme, as it was a corporate body. In order to be risk averse, officers had identified secured investment types, such as corporate bonds and reverse repurchase arrangements, which were exempt from bail-in regulations.

The Committee,

RESOLVED to note the detail in the report.

Reason for Decision: To allow the Committee to consider the report and to make any comments it feels appropriate to Full Council

CGS41 AMENDING THE CONSTITUTION: DISCIPLINARY ARRANGEMENTS FOR STATUTORY OFFICERS AND MINOR MATTERS

The Committee considered a report which proposed amendments to the Constitution required by new legislation and dealt with two minor issues that had been highlighted.

The Committee:

RESOLVED to recommend to Council that

- 1) The protection afforded to the Council's Statutory Officers (the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer) should apply to disciplinary action as it does to dismissal.
- 2) The amendments to the Constitution set out in the appendices to the report submitted to the Committee as required to implement the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 be approved.
- 3) The monitoring Officer be authorised to make the necessary Constitutional amendments to deal with the minor matters referred to in the report (harmonising the value of contracts which require the Council's seal; and including email within the scope of ordinary correspondence.

Reason for Recommendation: To implement the regulations and improve the Constitution.

CGS42 SUMMARY OF INTERNAL AUDIT REPORTS APRIL 2015 TO SEPTEMBER 2015

The Committee considered the Summary of Internal Audit Reports April 2015 – September 2015.

Questions from the Committee raised the following points and information:

- In 2014-15, 25-26% of premises licence income had not been collected. This amounted to £30,000.
- The annual premises licence fees were now collected through sundry debtors, who produced a monthly update on the fees that had been paid. This list was reconciled against the computerised database of all premises licences issued. If a fee had not been paid after a certain period, the licence would be suspended, which usually prompted payment.
- The high staff turnover in the licensing team had caused system degradation as processes were handed down third-hand. A lean review had been carried out in the licensing team to remove unnecessary administrative processes.
- Two new officers, the licensing team leader and business support team leader, would ensure that their teams were trained in the new processes, which had been expanded across the entire licensing and environmental health teams.
- All payment systems within the Council's services have been re-examined to ensure that cross checking procedures were in place and any debts raised were paid through the debtor control.

- Over the last 6-8 months there had been an attempt to reconcile payments against the fees that were owed. However officers were unable to reconcile to a significant percentage that the fees could be recovered.
- The Data Quality Management Strategy would be brought to a meeting of the Corporate Governance and Standards Committee for comment. The Committee was informed that work on this strategy had already begun.

The Committee,

RESOLVED to note the contents of the report.

Reason for Decision: To ensure an adequate level of audit coverage.

CGS43 WORK PROGRAMME

The Committee considered its work programme for the remainder of the 2015-16 municipal year.

The Committee discussed the recommendations set out in the review of procedures for handling allegations of breaches of the Councillors' code of conduct. The review suggested that the Corporate Governance and Standards Committee should be consulted on member training programmes and that the Committee should place a greater emphasis on governance issues in the work programme.

The Committee noted that the Council's external auditors, Grant Thornton had provided useful information on reviewing the effectiveness and skillset of audit committees as part of the External Audit Update.

The Committee.

RESOLVED to approve the work programme subject to the following additions:

- The Data Quality Management Strategy
- The outcome of the working group's consideration of the review of arrangements for investigating allegations of breaches of the code of conduct.
- A review of the effectiveness of the Corporate Governance and Standards Committee

Reason for Decision: To allow the Committee to review its work programme for the remainder of the 2015-16 municipal year.

The meeting finished at 8.46 pm

Signed

Chairman

Date