

# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

23 September 2021

- \* Councillor George Potter (Chairman)
- \* Councillor Deborah Seabrook (Vice-Chairman)
- Councillor David Goodwin
- \* Councillor Nigel Manning
- \* Councillor Susan Parker
- \* Councillor John Redpath
- Councillor James Walsh

## Independent Members:

- Mrs Maria Angel MBE
- \* Mr Murray Litvak

## Parish Members:

- Ms Julia Osborn
- Mr Ian Symes
- Mr Tim Wolfenden

\*Present

The Leader of the Council, Councillor Joss Bigmore and Councillors Colin Cross and Liz Hogger were also in attendance.

## **CGS27 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillor David Goodwin, for whom Councillor Liz Hogger was substituting, and from Councillor James Walsh, Maria Angel MBE, Julia Osborn, Ian Symes, and Tim Wolfenden.

## **CGS28 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

## **CGS29 MINUTES**

The minutes of the special meeting of the Committee held on 26 August 2021 were approved as a correct record. The Chairman signed the minutes.

## **CGS30 CORPORATE PERFORMANCE MONITORING**

The Committee considered the Corporate Performance Monitoring Report (in relation to quarter 1 of 2021-22), which had been submitted as part of the Council's new performance monitoring framework.

The Committee had been invited to submit comments and questions regarding the report itself and specific performance indicators in advance of the meeting, details of which, together the officer response, were included in the Supplementary Information Sheet circulated prior to the meeting.

The Leader of the Council commented that this was still an evolving process and encouraged everyone to be engaged in improving the quality of the format of the report in terms of whether the Council was measuring the right things in terms of corporate performance and also whether the performance to those metrics was to acceptable levels.

During the debate, the following points were made:

- Question as to whether information on the cost to the Council in respect of planning appeals, particularly in terms of officer time, could be included in future reports. It was noted that this information could already be provided in the separate monitoring report

on Planning Appeals, which was due to be reported to the Committee at its next meeting.

- In response to concerns over the lack of data provided in respect of Environmental PIs, it was acknowledged that further work needed to be done, although there were difficulties in obtaining up to date environmental information from external sources
- In response to the Leader's comment on the type of performance information collected, it was suggested that as well as collecting information about satisfaction with online services, number of online customer accounts etc., the Council should also be monitoring performance in respect of response times in respect of telephone calls, in view of recent concerns over difficulties some residents have experienced in that regard
- It was also suggested that future reports could cover the number of subscribers to the Council's email newsletters.
- Recognising that some performance indicators related to service areas under the Council's control, and that others were more economic indicators, it was suggested that future reports might split these into two sections so that the Committee receives a snapshot of how the Council itself was performing, and how the wider Borough was performing.

The Committee, having reviewed the report

RESOLVED: That the contents of the report along with the Performance Monitoring Report for 2021-22 quarter 1, shown in Appendix 1 thereto, be noted, together with the update information set out in the Supplementary Information Sheet.

Reasons:

To support our new corporate performance monitoring framework and enable the Committee to monitor the Council's performance against key indicators, as well as review key data relating to the 'health' of the borough.

### **CGS31 FREEDOM OF INFORMATION COMPLIANCE UPDATE**

The Committee considered the monitoring report on the Council's performance in dealing with Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.

Following a fall in performance standards during 2020-21 largely due to the Covid pandemic lockdown and recent corporate restructures, the Committee was pleased to note that performance rates for timely delivery of FOI/EIR requests had since improved over the period of the first half of the calendar year 2021.

The Council had received 299 FOI/EIR requests during the first half of 2021, which represented a 21% increase in volume from the equivalent period last year. The Council's performance rate for 2021 so far (figures covering January to June 2021) stood at 88.6% of FOI/EIR requests being answered on time. This compared favourably with the overall figure of 80% for the calendar year of 2020. The Council therefore now exceeded the Information Commissioner's performance indicator of 85% and was close to the 90% target agreed by Corporate Management Team.

It was noted that the report had calculated the overall percentage of requests answered on time as an average of all the percentage response rates for each service area, rather than a simple calculation of the percentage of the total number of requests answered on time against the total number received. Future reports would calculate the overall percentage response rate using this method.

The Committee welcomed the Council's improved performance in responding to FOI/EIR requests but noted that underperforming service areas were being monitored and advice and assistance offered where necessary.

The Committee

RESOLVED: That the Freedom of Information Compliance Report for January to June 2021 be noted, together with the officer actions, and that the Committee continues to receive regular updates.

Reasons:

- To ensure that the Committee is kept up to date with developments in the FOI/EIR framework
- To ensure that the Committee has the necessary information to enable requests for information to be made easily to the Council and properly responded to
- To assist with learning lessons and improving performance following requests for information made to the Council

### **CGS32 DATA PROTECTION AND INFORMATION SECURITY UPDATE REPORT**

The Committee considered a report from the Information Governance Officer that provided an update on developments in data protection and information security within the council since the last report of April 2021. The report covered governance successes, information assurance successes and objectives for the coming six months.

During the debate, the following points were made:

- Whether the Council was insured against any financial penalty for a breach of the GDPR provisions.
- Request for progress on the objectives in the report to be set out in the next report to the Committee, together with a confidential appendix showing the risk register in respect of data protection and information security.
- Whilst the review of the policy of redacting photographs in respect of Planning applications published on the Council's website and replacing it with a policy of only redacting photographs that contained personally identifiable data or images was welcomed, it should not be considered as a "success".

The Committee

RESOLVED: That the update report be noted.

Reason:

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

### **CGS33 FINANCIAL MONITORING 2021-22 PERIOD 4 (APRIL TO JULY 2021)**

The Committee considered the latest financial monitoring report, which summarised the projected outturn position for the Council's general fund revenue account, based on actual and accrued data for the period April to July 2021.

Officers were projecting an increase in net expenditure on the general fund revenue account of £3,043,550.

Covid-19 continued to impact the Council. The direct expenditure incurred by the Council in the current financial year currently stood at £236,022. The Council had received a grant of £622,690 to finance direct Covid-19 costs for 2021-22.

The indirect costs of Covid-19, particularly the loss of income, were reflected in the services forecasting. Estimates for losses in income and increased costs had been made with the best information available, which were subject to change as the year progressed. The Council would

be able to make a claim for some of the income loss for the 3 months of April to June, under the Sales, Fees and Charges (SFC) compensation scheme; however, officers were waiting for the government to issue guidance on this scheme for 2021-22. An estimated claim of £300,000 was included within the projection. Officers were currently projecting a loss of income for the full year of around £4.2 million. At present the Government did not appear to have any plans to extend the SFC compensation scheme beyond June 2021. The report considered the expenditure and income forecasted up to 31 July 2021 and would potentially be subject to substantial movement depending on the success of the Government's roadmap for lifting all Covid restrictions.

There was a reduction (£217,940) in the statutory Minimum Revenue Provision (MRP) charge to the general fund to make provision for the repayment of past capital debt reflecting a re-profiling of capital schemes.

A surplus on the Housing Revenue Account would enable a projected transfer of £7.9 million to the new build reserve and £2.5 million to the reserve for future capital at year-end. The transfer to the New Build reserve was £501,000 lower than budgeted due to a forecast reduction in rental income.

Progress against significant capital projects on the approved programme as outlined in section 7 of the report was underway. The Council expected to spend £116.573 million on its capital schemes by the end of the financial year.

The Council's underlying need to borrow to finance the capital programme was expected to be £71.686 million by 31 March 2022, against an estimated position of £94.59 million. The lower underlying need to borrow was a result of slippage on both the approved and provisional capital programme as detailed in paragraphs 7.3 to 7.6 of the report.

The Council held £190 million of investments and £348 million of external borrowing on 31 July 2021, which included £193 million of HRA loans. Officers confirmed that the Council had complied with its Prudential indicators in the period, which had been set in February 2021 as part of the Council's Capital Strategy.

In considering this report, the Committee made the following comments:

- In response to concerns over possible repayment of Right to Buy receipts in respect of further delay in progressing the proposed Guildford Park Road and Bright Hill developments, the Committee noted that a number of pipeline HRA capital projects and mandates were being progressed. The Leader of the Council noted that reporting around all of the capital projects to the Major Projects Board was now in a very consistent, dashboard format which included Gantt charts setting out key project milestones. The Leader suggested that in order to provide reassurance to the Committee regarding the work being undertaken to address the slippage in the capital programmes, a presentation could be made to the Committee at a future meeting. On behalf of the Committee, the Chairman welcomed the suggestion.
- Suggestion that installation of more electric car charging points could be a revenue source for the Council.
- In the Schedule of Investments (Appendix 14 to the report), it was explained that Money Market Funds ("MMF") were same-day liquid funds that were heavily diversified with strict investment criteria. It was suggested that, given the significant sums invested, additional information could be provided in terms of a breakdown of the various investments
- In response to a query as to why there was an overspend of £3.4m in Off-Street and On-Street parking income on the one hand yet the Committee had been informed in the previous item on Performance Monitoring that town centre car parks had made a good recovery, the Director of Resources commented that parking income had fluctuated during the year. In April 2021, parking income had reduced to 20-30% of its normal level; it improved to around 70% in June but fell back again in July and August. It had been

assumed that car parking capacity would return to approximately 85% of pre COVID levels from September 2021 to March 2022.

- A request that future reports show in the executive summary what the excess of expenditure over income was before any transfers from reserves, as showing the gross figure would assist in understanding of the justification for the savings strategy.
- It was noted that the interest rate on the call account and Money Market Funds, was around 0.01%, and interest on the notice account were around 0.05%. Recognising the need to maximise yield from investments, officers confirmed that they were looking at all available options, including longer-term covered bonds, to improve yield.
- Repeated request for more detailed commentary from service leaders in relation to explanations for variances in the detailed service summary (Appendix 2 to the report).

Having considered the report, the Committee

RESOLVED: That the results of the Council's financial monitoring for the period April to July 2021 be noted, subject to the comments referred to above.

Reason:

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

### **CGS34 COUNCILLOR TRAINING AND DEVELOPMENT UPDATE**

The Committee considered the annual report from the Councillor Development Steering Group, which set out details of the training and development opportunities for Councillors including training events held since September 2020 and planned training sessions to be held in the coming weeks.

The Committee noted that the Council was accredited under the South East Charter for Elected Member Development, which provided a robust framework within which ongoing Councillor training and development was planned and put in place.

Since the last annual report, it was noted how the coronavirus pandemic had changed the way in which the Council was able to offer training and development opportunities for councillors and staff. As with council and committee meetings, the councillor training sessions previously held in the Council Chamber had necessarily had to change to virtual sessions using online platforms such as Microsoft Teams. The benefits of being able to offer training online had offered greater flexibility to councillors and officers, avoiding the need for them having to spend time travelling to and from Guildford. Since the lifting of lockdown restrictions, officers were looking to offer a blend of both online as well as in person training as appropriate.

The Chairman of the Steering Group, Councillor Colin Cross was in attendance to comment on the report and respond to any questions from the Committee.

During the debate, the following points were raised:

- A request for wider training for all councillors on climate change. It was noted that this would be raised at the next meeting of the Steering Group.
- Support for continuing with online/remote training.
- A request for clarification as to whether ethical standards/code of conduct training was mandatory, and confirmation as to whether all councillors had attended such training. It was noted that ethical standards/code of conduct training was mandatory, and that further training would be offered by the Monitoring Officer to any councillors who had not previously attended such training.
- It was noted that the cost of training for councillors did not vary dependent upon the number of new members. The importance of induction and investment in ongoing training and development for councillors was emphasised.

The Committee

RESOLVED: That the valuable work being undertaken by the Councillor Development Steering Group in developing a clear structured plan for councillor development that responds both to the Council's corporate priorities and councillors' individual training needs, be noted.

Reason:

To recognise the important and ongoing work of the Councillor Development Steering Group.

**CGS35 PROTOCOL ON THE APPOINTMENT, ROLE, STATUS, RIGHTS AND OBLIGATIONS OF HONORARY FREEMEN AND HONORARY ALDERMEN**

The Committee noted that, the Council adopted a Protocol on the appointment, role, status, rights and obligations of Honorary Freemen and Honorary Aldermen in 2014.

At the request of the Leader of the Council and in anticipation of the Council conferring the title of Honorary Alderman upon five former councillors at a meeting to be specially convened for the purpose on 2 December 2021, the Corporate Governance Task Group had been asked to review the Protocol, particularly in relation to the requirement that Honorary Freemen and Aldermen should refrain from making public statements which were critical of the Council.

The Task Group had met on 20 September to carry out this work and their recommendations were reported to the Committee in the Supplementary Information Sheet circulated at the meeting.

Having considered the suggested amendments to the Protocol as suggested by the Task Group, the Committee

RECOMMEND (to Council on 5 October 2021):

That the revised Protocol on the appointment, role, status, rights and obligations of Honorary Freemen and Honorary Aldermen, as set out as Appendix 3 to the Supplementary Information Sheet circulated at the meeting, be adopted.

Reason:

To bring the Protocol up to date, including for the purpose of clarifying the rights and obligations placed upon Honorary Freemen and Honorary Aldermen.

**CGS36 WORK PROGRAMME**

In considering the work programme at its last meeting, the Committee had discussed how it could better monitor expenditure on:

- (a) Housing Capital Schemes to avoid repayment of RTB receipts to the Government,
- (b) Capital schemes funded by S106 contributions to avoid repayment to developers, and
- (c) Any other capital schemes reliant on grant funding which might need to be returned if monies are not spent within a specified timeframe.

In response, the Committee noted that the Director of Resources had taken the following action:

In relation to (a) above, the Director of Resources had included the RTB schedule in paragraph 7.10 of the Financial Monitoring Report item, considered earlier at this meeting, which detailed:

- the amount of expenditure required to avoid repayment, based on actual spend to date and assumption of 20 RTB sales per year, and
- A forecast of expenditure to be incurred as detailed on the approved housing capital programme.

In relation to (b) above, it was proposed to bring a separate monitoring report on allocation and expenditure of S106 monies to the January 2022 meeting.

In relation to (c) above, it was felt that further consideration should be given at the next meeting as to how the Committee could receive summary information on expenditure on major capital projects.

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:

- (a) the deferral of the following items from the 18 November 2021 meeting to the 20 January 2022 meeting:
  - 2020-21 Audit Findings Report: Year ended 31 March 2021
  - Final 2020-21 Audited Statement of Accounts
- (b) The addition of the S106 Monitoring Report to the list of items for the January 2022 meeting.
- (c) The addition of the six-monthly report on Planning Appeals to the list of items for the June 2022 meeting.

Reason:

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

The meeting finished at 8.57 pm

Signed .....

Chairman

Date .....