

Merton Council

General Purposes Committee

Membership:

Peter McCabe (chair)
Laxmi Attawar
John Dehaney
Samantha George
Janice Howard (vice-chairman)
Gillli Lewis-Lavender
Ian Munn
Debbie Shears
Linda Taylor
Martin Whelton

Substitute Members:

Stan Anderson
Henry Nelles
Sam Thomas
Ray Tindle

A meeting of the General Purposes Committee will be held on:

13 March 2013

Time: 19:15

Venue: Committee rooms B and C

Merton Civic Centre, London Road, Morden, Surrey

This is a public meeting and attendance by the public is encouraged and welcomed. For more information about the agenda and the decision making process contact democratic.services@merton.gov.uk or telephone 020 8545 3616.

Press enquiries: press@merton.gov.uk or telephone 020 8545 3181

Email alerts: Get notified when agendas are published
www.merton.gov.uk/council/committee.htm?view=emailer

For more information about Merton Council visit www.merton.gov.uk

General Purposes Committee

13 March 2013

1.	Declarations of interest (see note1)	
2.	Apologies for absence	
3.	Minutes of the meeting held on 27 September 2012	3
4.	Minutes of the meeting held on 7 November 2012	7
5.	External auditor – Audit Plan	9
6.	External auditor – Briefing	31
7.	External auditor – Annual audit fee letter	37
8.	External auditor – Report to those charged with governance	41
9.	Annual Governance Statement (AGS) 2011/12 Improvement Plan Update	51
10.	Internal audit progress report	57
11.	Internal audit plan, strategy and terms of reference 2013/14	79
12.	Whistleblowing policy and yearly update	103
13.	Protocol on planning matters	123
14.	Constitutional amendments	141
15.	Work programme	143

Declarations of Pecuniary Interests

Members are reminded of the need to have regard to the items published with this agenda and, where necessary to declare at this meeting any Disclosable Pecuniary Interest (as defined in the The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012) in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Council's Assistant Director of Corporate Governance.

GENERAL PURPOSES COMMITTEE
27 SEPTEMBER 2012

(19:15 TO 21:22)

PRESENT: Councillors Peter McCabe (chair), Janice Howard (vice-chairman), Laxmi Attawar, John Dehaney, Samantha George, Suzanne Grocott, Gilli Lewis-Lavender, Ian Munn and Linda Taylor.

Caroline Holland (Director of Corporate Services), Paul Evans (Assistant Director Corporate Governance), Mark Humphries (Assistant Director Infrastructure and Transactions), Paul Dale (Interim assistant Director Resources), Brian Thompson (Head of Accountancy), Stephen Bowsher (Corporate Accounting Manager), John Hillarby (Trading Standards Manager), David Ryan (Technical Officer Street Trading), Margaret Culleton (Head of Audit), Marissa Bartlett (Head of Joint HR Transactional Services), Colin Millar (Democracy Services)

ALSO PRESENT: Suresh Patel and Thomas Ball (Audit Commission) – item 4
Mr E Chillingirian and partner – item 5
David Coates (Agilisys) – item 7

1 ORDER OF THE AGENDA

With the permission of the meeting the chair took item 5 as the first item.

2 EXCLUSION OF THE PUBLIC

RESOLVED: That the public are excluded from the meeting for the following item of business on the grounds that it involves the disclosure of exempt information as defined in category 1 of part 4B of the constitution – information relating to an individual. Mr Chillingirian and his partner remained present.

3 NON-RENEWAL OF STREET TRADING LICENCE (Agenda item 5)

The Committee heard from Mr John Hillarby (Street Trading Manager) and Mr E Chillingirian (Licence holder). Once the parties had been heard the room was cleared except for members of the Committee, the Democracy Services Officer and the Assistant Director Corporate Governance and the committee discussed the case.

The parties were brought back into the room and were informed that the Committee had decided not to renew the licence. A decision letter would be sent within the next few days setting out the reasons for the Committee's decision.

Further details of the exempt session are in an exempt minute of this meeting.

RESOLVED: That the Street Trading licence is not renewed for the reasons to be set out in the decision letter.

4 DECLARATIONS OF INTEREST (Agenda item 1)

Councillor Samantha George that she was a member of the Pension Fund Advisory Committee and that she was employed by Grant Thornton.

GENERAL PURPOSES COMMITTEE
27 SEPTEMBER 2012

Councillor Suzanne Grocott informed the meeting that her employer was involved in New Schools Merton

5 APOLOGIES FOR ABSENCE (Agenda item 2)

Councillor Gilli Lewis-Lavender informed the meeting that she would have to be absent for a short period during the meeting. She was absent from the meeting for item 4.

6 FINAL ACCOUNTS AND ANNUAL GOVERNANCE REPORTS
(Agenda item 4)

The WGA procedures had now been completed and the auditors would be issuing the certificates accordingly.

Councillor Samantha George asked about the large revaluation of land and how this had come about and why the valuation error had not been identified sooner?. The Director responded that the incorrect valuation had been the result of work carried out by a private valuer when we had capacity problems and that their error had not been identified for so long because we only undertook valuations once every five years, relying on indexation in between. The procedures for using such valuations had been strengthened.

Brian Thompson advised the Committee that the duplicates payments issue had been addressed.

The Director advised that in respect of underspends and financial monitoring of budgets more training was being offered to budget managers. Part of the underspending was as a result of managers taking efficiencies as early as possible.

In response to a point in respect of reserves the Audit Commission said that the level of reserves was a matter for the Council. Their position was only that the council should make a determination as part of the MTFS as to what was an appropriate level.

Councillor Suzanne Grocott had raised a number of questions prior to the meeting and these together with the responses were tabled for inclusion in the minutes and these are attached as appendix 1 to these minutes.

The Committee expressed its thanks to the Audit Commission for its work with the Council over the past years and wished Suresh Patel, Thomas Ball and their colleagues well for the future.

RESOLVED: (1) That the General Purposes Committee approves the audited Statement of Accounts, including the Pension Fund Accounts.

(2) That the General Purposes Committee notes the comments made by the Pensions Fund Advisory Panel in relation to the Annual Pension Fund Accounts 2011/12

(3) That the General Purposes Committee notes the Audit Commission's Annual Governance Report for the Council's Pension Fund accounts under the International Standard on Auditing 260 (ISA 260) including the agreed action plan.

GENERAL PURPOSES COMMITTEE
27 SEPTEMBER 2012

(4) That the General Purposes Committee notes the Audit Commission's Annual Governance Report for the Council's main accounts under the ISA 260.

(5) That the General Purposes Committee agrees that the Chair signs the Letter of Representation for the Council's 2011/12 main accounts.

(6) That the General Purposes Committee agrees that the Chair signs the Letter of Representation for the Council's 2011/12 Pension Fund accounts.

7 DESIGNATION OF PARTS OF THE HIGHWAY FOR THE PURPOSES OF STREET TRADING (Agenda item 6)

RESOLVED: (1) That the Buenos Aires pitch is to be monitored during the period of a six month temporary licence operating from 19:00 on weekdays and from noon on Saturdays and Sundays and further report to be made after that time.

(2) That the other designations are agreed.

8 UPDATE AND EVALUATION OF ITRENT PROJECT IMPLEMENTATION (Agenda item 7)

Members discussed the ongoing project implementation with Marissa Bartlett and David Coates.

- There was no additional cost in respect of handling the varied leave arrangements as this was part of the original specification.
- Unforeseen costs mentioned in paragraph 2.5. These had been agreed at the governance board.
- Information requested by Councillors at Council meetings – There were issues with legacy systems and some information such as vacancies not yet being in the system – these issues were being addressed.
- Schools buy back was lower than hoped for.
- paper payslips are produced for about 30% of the workforce (including schools and Members) who do not currently have access to the Council's secure network..70.1% currently have access, hence can view e-payslips via Employee Self Service, each month.

9 IT SYSTEMS FAILURE (Agenda item 8)

Noted

10 INTERNAL AUDIT PROGRESS REPORT (Agenda item 9)

Margaret Culleton gave more detail on Sherwood primary school. The head teacher had requested an audit as the bursar had left suddenly. No fraud had been identified although some procedural matters were identified for improvement. There was a limited assurance but also ongoing regular contact with the school to put in place the necessary improvements.

On the Disabled Facilities Grants procurement the Committee were advised that the practices were not in accordance with Contract Standing Orders. The Committee

GENERAL PURPOSES COMMITTEE
27 SEPTEMBER 2012

asked that these practices should be halted immediately. The Director of Corporate Services was asked to raise this with Procurement Board and attach the response to the minutes of this meeting. (The response will be attached as appendix 2 to these minutes).

Officers were requested to raise the CCTV contracts issue with the relevant Scrutiny Panel chair.

11 BUSINESS CONTINUITY REVIEW (Agenda item 10)

Noted

12 WORK PROGRAMME (Agenda item 11)

Noted

GENERAL PURPOSES COMMITTEE
7 NOVEMBER 2012

(19:15 to 19:47)

PRESENT: Councillors Peter McCabe (Chair), Laxmi Attawar, John Dehaney, Samantha George, Janice Howard, Gilli Lewis-Lavender, Ian Munn, Debbie Shears, Linda Taylor and Martin Whelton.

Caroline Holland (Director of Corporate Services), Paul Evans (Assistant Director Corporate Governance), Michael Bentley (Head of Electoral Services) and Colin Millar (Democracy Services)

1 DECLARATIONS OF INTEREST (Agenda item 1)

None were made

2 APOLOGIES FOR ABSENCE (Agenda item 2)

None

3 MINUTES OF THE PREVIOUS MEETING (Agenda item 3)

These were tabled. Noted that they would be formally presented for agreement at the next meeting.

4 REVIEW OF POLLING DISTRICTS AND POLLING PLACES (Agenda item 4)

In respect of Abbey Ward it was proposed and seconded by Councillors Whelton and Munn that All Saints Church Hall should be designated as a polling place and that all other arrangements for Abbey Ward remain the same.

For 5 against 1 – carried.

The other recommendations were agreed and it was

RESOLVED: (1) That in respect of Abbey Ward it is recommended to Council that All Saints Church Hall be designated and all other arrangements remain the same.

(2) That the General Purposes Committee recommends that the full Council makes no change to the polling districts and polling places for Pollards Hill Ward.

(3) That the General Purposes Committee recommends that the full Council agrees the designation of Drake House as the polling place for polling district MC in Hillside Ward and Gifford House as the polling place for polling district FC in Ravensbury Ward.

(4) That the General Purposes Committee recommends that the full Council makes no change to the polling place for polling district SD in Cannon Hill Ward.

5 DISEPNSATIONS (Agenda item 5)

RESOLVED: (1) That it be recommended to Council that the following dispensations be granted from Section 31(4) of the Localism Act 2011 on the

GENERAL PURPOSES COMMITTEE 7 NOVEMBER 2012

basis that without the dispensation the number of persons prohibited by section 31(4) from participating in any particular business would be so great a proportion of the body transacting the business to impede the transaction of the business, such dispensations to be made in respect of members of the Council and take effect from 21 November 2012 for the period of 4 years:

- (i) housing, where the member is a tenant of the authority; provided that those functions do not relate particularly to that member's tenancy or lease;
 - (ii) school meals or school transport and travelling expenses, where the member is a parent or guardian of a child in full time education, or is a parent governor of a school, unless it relates particularly to the school which the child attends;
 - (iii) an allowance, payment, pension or indemnity given to members;
 - (iv) any ceremonial honour given to members; and
 - (v) setting Council Tax or a precept under the Local Government Finance Act 1992.
- (2) That it be recommended to Council that the Monitoring Officer be designated as the proper officer of the authority for the purposes of written requests by a Member(s) or co-opted Member(s) of the authority for the grant of a dispensation.
 - (3) That it be recommended to Council that the power to grant dispensations pursuant to section 33 Localism Act 2011, be delegated to the Monitoring Officer and be subject to a right of appeal to the Standards Committee.
 - (4) That it be recommended to Council that where the Monitoring Officer has used his delegated powers to grant a dispensation a report on the use of the power be prepared and submitted to the next meeting of the Standards Committee.
 - (5) Subject to agreement to the above, that the constitutional amendments set out in a separate report on this agenda are recommended to Council.

6 CHANGES TO THE CONSTITUTION (Agenda item 6)

Article 3.2 – members asked if there could be clarification included as the consequences for not complying with the first sentence in Article 3.2. The Chair suggested that if members wished to propose a form of words to they could do so at the Council meeting.

RESOLVED: That the General Purposes Committee recommends that the Council adopts the changes to the constitution detailed in the report.

7 WORK PROGRAMME (Agenda item 7)

Member's mobile working – The director undertook to provide information on the effect on members of the new mobile working arrangements. If there were outstanding issues these would be reported to the next meeting of the committee.