

STANDARDS AND GENERAL PURPOSES COMMITTEE
3 NOVEMBER 2016

(7.15 pm - 9.35 pm)

PRESENT Councillor Peter McCabe (in the Chair), Councillor Michael Bull, Councillor Adam Bush, Councillor Stephen Crowe, Councillor Mary Curtin, Councillor John Dehaney, Councillor Mary-Jane Jeanes, Councillor Marsie Skeete, Councillor Gregory Udeh and Councillor David Williams.

ALSO PRESENT: Paul Audu, Investment Manager
Kim Brown, HR Lead
Paul Dale, Assistant Director Resources
Paul Evans, Monitoring Officer
Paul Foster, Head of Regulatory Service Partnership
Caroline Holland, Director Corporate Services
Susanne Wicks, Senior Democratic Services Officer

Paul King, Ernst & Young.

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillors Agatha Akyigyina and Janice Howard.

Apologies were also received from the Director of Community & Housing, the Director of Children, Schools and Families, and the Director of Environment and Regeneration.

Derek Prior, the Independent Person, also sent apologies.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

Councillor Adam Bush declared a personal interest in agenda item 7 (Procurement of External Auditors), as he is employed by BDO LLP. The Monitoring Officer confirmed that it would be appropriate for him to participate in discussion of this item.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 8 September 2016 are agreed as an accurate record.

4 MOTION FROM COUNCIL REGARDING HONORARY FREEMAN OF THE BOROUGH ANDY MURRAY (Agenda Item 4)

The report was introduced by the Monitoring Officer, Paul Evans, who reminded the Committee of the motion agreed by Council on 14 September and pointed members to the options for their consideration as outlined in paragraph 3.2.

Members discussed their views on when and how Andy Murray's success could and should be commemorated.

RESOLVED: That the Standards and General Purposes Committee agrees:

1. That any measure agreed to commemorate Andy Murray's success should be proportionate, low-cost and low-maintenance.
2. That no action should be taken until towards the end of this tennis career.
3. That the following two options could be investigated further as an appropriate way to commemorate his success:
 - To name the tennis courts in Wimbledon Park after Andy Murray
 - To purchase a trophy, to be awarded in Andy Murray's name, as part of an existing successful tennis tournament, in which young people in the borough participate.

5 EXTERNAL AUDIT ANNUAL LETTER (Agenda Item 5)

Paul King, Executive Director, Ernst & Young, introduced the Annual Audit Letter, which is a requirement at the conclusion of the annual audit of accounts, and explained that the Letter summarised the key messages delivered to this Committee at the September meeting.

Paul King also advised that work on the Housing Benefit Subsidy Claim is complete and a lower rate of errors has been identified than in previous years, so the Claim falls below the error threshold.

In response to a query from a member of the Committee, the Assistant Director of Resources gave a detailed explanation of the impact of the Highways Network Asset Code upon the balance sheet, and the accounting changes that will be required to manage the new valuation basis.

Report noted.

6 INTERNAL AUDIT PROGRESS REPORT ON ANNUAL AUDIT PLAN (Agenda Item 6)

The report was presented by the Head of Internal Audit, who invited comments and questions.

With regard to the summary of limited assurance audits detailed in Appendix B to the report, the Head of Internal Audit gave an update on the actions taken following the audits, and responded to questions from the Committee, if an officer from the service was not present to do so.

The Investment Manager, Paul Audu, gave an update on the audit of the Pension Investments, and described the process for moving from two custodians to one. This

will take place as part of the broader Investment Strategy Review and is scheduled for completion in 2017.

The Head of the Regulatory Service Partnership, Paul Foster, gave a detailed presentation on how the issues had arisen with regard to market trader payments and reported the actions underway to resolve them.

The Chair of the Committee noted his disappointment that the managers from the other services were not present in order to answer questions from the Committee, despite previous requests in the past. The Head of Audit undertook to ensure that managers attend meetings where there are limited assurances in their service.

The Committee agreed it would be useful that where appropriate, financial context should be included in future reports.

RESOLVED: That the Standards and General Purposes Committee notes the report.

7 PROCUREMENT OF EXTERNAL AUDITORS (Agenda Item 7)

The Head of Internal Audit introduced this report and invited comments and questions.

Councillor David Williams suggested that there may be a requirement for local authorities to change external audit providers after a set period. The Director of Corporate Services responded that even if the same company is used, the audit manager is regularly changed, but undertook to check the legal position in this matter.

RESOLVED: That the Standards and General Purposes Committee recommends to Full Council that Merton opt into the appointment person arrangements made by Public Sector Audit Appointments Ltd (PSAA) for the appointment of external auditors.

8 ANNUAL GIFTS AND HOSPITALITY REPORT (MEMBERS) (Agenda Item 8)

The Monitoring Officer, Paul Evans, introduced this report, noting that there are no concerns arising from the declarations made. He reminded the Committee that a protocol on gifts and hospitality was agreed in 2013 and the Committee suggested that it would be useful to circulate this to all Members.

In response to a query from the Committee, the Monitoring Officer advised that the (now defunct) Standards Committee had agreed that tickets for the Wimbledon Tennis should be declared, even if they had been paid for, as Members had an advantage being able to purchase tickets that are not available to the public at large.

RESOLVED: That the Standards and General Purposes Committee notes the extract from the register.

9 ANNUAL GIFTS AND HOSPITALITY REPORT (OFFICERS) (Agenda Item 9)

The Monitoring Officer presented the report and invited comments and questions.

RESOLVED: That the Standards and General Purposes Committee notes the report.

10 ANNUAL COMPLAINTS REPORT (Agenda Item 10)

The Monitoring Officer introduced the report, highlighting key aspects of the council's performance in 2015/16 with regard to responding to complaints and member enquiries.

With regard to Local Government Ombudsman (LGO) enquiries, the Monitoring Officer corrected information given in paragraphs 5.1, 5.2 and 5.3 of the report, which should read as follows:

5.1 The LGO received 70 complaints and enquiries about the council's services during 2015/16. This is 28 less than in 2014/15.

5.2 In 2015/16 22 complaint investigations took place.

5.3 Of the 10 cases that the LGO investigated, 11 (50%) were upheld.

Councillor Stephen Crowe asked how Merton's compares against other boroughs with regard to LGO enquiries, and the Monitoring Officer advised that there is comparative data available on the LGO website, which he undertook to send to Committee members.

RESOLVED: That the Standards and General Purposes Committee notes the report.

11 PROGRESS REPORT ON RISK MANAGEMENT (Agenda Item 11)

The Assistant Director of Resource, Paul Dale, introduced this report and invited comments and questions.

Councillor David Williams sought reassurance that the risk register is taken seriously and subject to regular review. The Director of Corporate Services advised that she chairs the Risk Management Board, and that the register is discussed at Departmental Management Team meetings, to review the mitigating actions and ensure it is subject to regular refresh.

Report received.

12 COMPLAINTS AGAINST MEMBERS (VERBAL UPDATE) (Agenda Item 12)

The Monitoring Officer provided a short verbal update on complaints made about members since the Committee last met in September.

The Monitoring Officer advised that, as reported recently in the local press, he had received three complaints against the Leader of the Council. He gave a brief outline of actions he had taken with regard to those complaints.

The Monitoring Officer reminded the Committee of how member complaints are handled, and undertook to circulate the complaints and hearing procedure to the Committee.

Report received.

13 PROPOSED RESPONSE TO THE 2018 BOUNDARY REVIEW OF PARLIAMENTARY CONSTITUENCIES CONSULTATION (Agenda Item 13)

The Monitoring Officer presented this report and invited comments and questions.

Committee members commended the draft response to the consultation and noted that additional responses are likely to be made by politicians.

RESOLVED: That the Standards and General Purposes Committee approves Merton's response to the 2018 Boundary Review of Parliamentary Constituencies consultation.

14 MEMBER LEARNING AND DEVELOPMENT (Agenda Item 14)

The report was introduced by the HR Lead, Kim Brown. She described her key aims for member development and sought agreement from the Committee to the recommendations detailed in the report.

Councillor David Williams suggested that a session be added to the programme for opposition members.

Members of the Committee expressed some concern about the introduction of "mandatory" training, noting that some members may already be expert in those areas, through their work and other roles. Kim Brown reassured members that she would use her discretion and that common sense would prevail in this regard.

With regard to the budget for member development, Kim Brown advised that HR officers scrutinises and approves requests for external training, and that the London Member Development Network seeks to make economies of scale when procuring training facilitators. She also noted that the low take-up of member training is not particular to Merton.

The Committee undertook to encourage colleagues to participate in learning and development where possible.

RESOLVED That the Standards and General Purposes Committee:

1. Agrees the draft learning and development plan for 2016/18

2. Agrees the priority development activities for members as outlined in 2.10 of this report
3. Agrees that there will be elements of mandatory training for members
4. Agrees that sessions are offered to prospective councillors in September/October 2017 and March 2018
5. Considers ways to encourage increased member take-up for development activities.

15 TEMPORARY AND CONTRACT STAFF UPDATE (Agenda Item 16)

The report was presented by the HR Lead, Kim Brown. As part of her introduction to this item, she read out a statement from the Director of Community & Housing, the Director of Children, Schools and Families and the Director of Environment and Regeneration, who could not attend the meeting. The statements detailed the action being taken in each department to reduce the use of temporary and contract workers.

At the request of the Committee for some financial context to the information presented, Kim Brown undertook to include a range of information within future reports.

The Committee discussed the information in some detail. The Chair advised that the Committee will continue to review the rates of temporary and contract staff used by the authority and are keen to see a reduction in numbers, whilst recognising that the Council must provide statutory services.

RESOLVED: That the Standards and General Purposes Committee notes the report.

16 UPDATE OF TERMS OF REFERENCE (Agenda Item 17)

The Monitoring Officer introduced the new terms of reference for the Committee. He explained that when the new committee was formed, the terms of reference for the (now defunct) Standards Committee and General Purposes Committee were merged. The terms of reference presented are a simplified, clearer version. If agreed, the new terms of reference will be put to Council for agreement and inclusion in the Constitution.

RESOLVED: That the Standards and General Purposes Committee recommends that Council approve the terms of reference, for inclusion in Merton's Constitution.

17 WORK PROGRAMME (Agenda Item 18)

The work programme was agreed.