

Merton Council

Standards and General Purposes Committee Agenda

Membership

Councillors:

Martin Whelton (Chair)
John Oliver (Vice-Chair)
Laxmi Attawar
Sheri-Ann Bhim
John Braithwaite
Caroline Charles
Billy Hayes
Edith Macauley MBE
Robert Page
Michael Paterson
Marsie Skeete
Victoria Wilson

Katy Willison (Independent Person)
Clive Douglas (Independent Person)

Substitute Members:

Andrew Howard
Samantha MacArthur
Simon McGrath
Michael Butcher
James Williscroft

Date: Wednesday 19 July 2023

Time: 7.15 pm

Venue: Committee Room BCDE

This is a public meeting and attendance by the public is encouraged and welcomed.
For more information about the agenda please contact
democratic.services@merton.gov.uk or telephone [020 8545 3616](tel:02085453616).

All Press contacts: communications@merton.gov.uk, 020 8545 3181

Standards and General Purposes Committee Agenda

19 July 2023

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Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest 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. For further advice please speak with the Managing Director, South London Legal Partnership.

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Agenda Item 3

STANDARDS AND GENERAL PURPOSES COMMITTEE

27 APRIL 2023

(7.15 pm - 9.20 pm)

PRESENT Councillors Councillor Michael Brunt (in the Chair),
Councillor John Oliver, Councillor Laxmi Attawar,
Councillor John Braithwaite, Councillor Caroline Charles,
Councillor Billy Hayes, Councillor Edith Macauley,
Councillor Gill Manly, Councillor Robert Page,
Councillor Michael Paterson and Councillor Martin Whelton

PRESENT Councillor Victoria Wilson
ONLINE

ALSO PRESENT Louise Round (Monitoring Officer) Elizabeth Jackson (Ernst
Young), Kevin Holland (Head of Shared Fraud Partnership),
Nemashe Sivayogan (Head of Treasury and Pensions),
Muhammed Muktadir (Chief Accountant), Helen Martin (Deputy
Chief Accountant), Amy Dumitrescu (Democratic Services)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

There were no apologies for absence.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED that the minutes of the meeting held on 28 November 2022 were agreed as a correct record.

4 EXTERNAL AUDIT 21/22 FINAL AUDIT RESULTS REPORT FOR COUNCIL AND PENSION FUND (Agenda Item 4)

The External Auditor introduced the report. The auditor's report was signed on 7 February 2023, it was an unqualified opinion, with no modifications. No issues arose, officers were communicative and supportive. No ongoing concerns. In response to questions the external auditor confirmed that:

- Merton is one of the few councils to have their accounts signed
- The assumptions on National non-domestic rates were reviewed and found to be satisfactory

It was RESOLVED that the committee noted and commented on the report.

5 EXTERNAL AUDIT PLANS FOR COUNCIL AND PENSION FUND ACCOUNTS (Agenda Item 5)

The External Auditor introduced the plans. Audit will begin in October 23, with the aim to sign the audit by early January. In response to questions the external auditor confirmed that:

- EY do use an overseas resource to assist with work, but the government accounts do have quirks that mean overseas resources aren't necessarily the best way to ensure the work is completed accurately
- There are 100s of audits still open, which need to be closed before new work begins. EY has limited the amount of work it takes on to ensure that audits can be completed within deadlines.
- As it's a fully substantive audit, EY don't do controls testing, the nature of local government accounts do not lend themselves to control testing as an efficient and effective method
- the risk assessment documents the evidence and then assess the likelihood and size of risks. The sale of CHAS is an area of focus, but not yet rated as a significant risk of weakness, but it would be remiss to not look at it at all.
- Non-domestic rates are a highly material figure, which makes it an inherent risk, and so needs to be audited, to ensure that the assumptions should remain the same, and assess what is it that makes 22/23 the same as 21/22?

It was RESOLVED that the Committee noted and commented on the report.

6 INTERNAL AUDIT PLAN (Agenda Item 6)

Head of the Shared Fraud Partnership introduced the internal audit report. In response to questions he confirmed that:

- Internal audit are not the first line of responsibility to ensure that grant recipients deliver as intended, but the team would ensure that the framework the departments use would flag up any concerns and if funds were not used appropriately they would know, and be able to challenge their activity.
- The cycle of audits are not the limit of work done, so where limited assurance has been provided, additional work is ongoing to improve the situation, where there is a clear need to do additional work, we do.
- Internal Audit will look at adding an audit to assess the frameworks for issuing grants, and report back to the committee on the feasibility of this within this cycle. It is likely to come at the cost of not looking at other areas.

RESOLVED That the Committee reviewed and commented upon the 2023/24 Draft Internal Audit Plan, Strategy and Charter.

7 WHISTLEBLOWING POLICY AND ANTI-MONEY LAUNDERING POLICY REVIEW (Agenda Item 7)

The Head of Shared Fraud Partnership introduced the report. The policies are being reviewed to ensure they remain current.

- The hotline goes to the Fraud Partnership, who will then assess the claim with the Monitoring Officer and what action ought to be taken.
- If the policy is approved, it would be advertised on the intranet and within the weekly Pulse newsletter.

It was RESOLVED that the Committee approved the revised Whistleblowing and Anti Money Laundering policies

8 FRAUD UPDATE REPORT (Agenda Item 8)

The Head of the Fraud Partnership introduced the report. In response to questions it was confirmed that

- Where issues have been identified within Clarion properties, action is now taken, recent problems have been resolved.
- There aren't penalties that could be imposed by the council, but rectifying the issues does cost them significantly.
- Cooperation was not refused, but due to their IT issues they were not able to prepare the necessary notices.
- Some applications were withdrawn due to applicants being deceased, the values saved are notional and set by the National Fraud Network, it's not necessarily an accurate reflection of the costs.
- The figures for cases worked in a year will allow for some cases to be counted in multiple years where the work has crossed over the year.
- Not all applications withdrawn through the work of the fraud team were fraudulent.

It was RESOLVED that members noted the Fraud Update report that included an indicative plan for the application of resources for 2023/24, and a review of activity completed during 2022/23 to February 2023, and commented on the matters arising from it.

9 PROCESS REVIEW - NOMINATING HONORARY ALDERMEN (Agenda Item 9)

The Chair recommended to the Committee that working groups are established to consider report.

It was resolved that

- A working group be established, in the ratio 3/1/1/1 across the party groups to review the recommendations and report back to the Committee.

10 FREEDOM OF THE BOROUGH (Agenda Item 10)

It was RESOLVED That the awards working group would also consider any nominations for awarding Freeperson of the Borough Status and to make recommendations to the July meeting of this Committee for onward submission to Council and then a special Council meeting.

11 REMUNERATION OF COUNCILLORS (Agenda Item 11)

It was RESOLVED that a working group be set up to consider the recommendations of the report in more detail and to report findings back to Committee to allow it to make recommendations to Council. The working group would be in the ratio 4/2/1/1 across the political groups. The group would report back to the next meeting.

12 AMENDMENTS TO THE CONSTITUTION (Agenda Item 12)

The Monitoring Officer introduced the report and in response to questions confirmed that:

- Pension Fund accounts and reports can be approved by the Pensions Committee

It was RESOLVED that the Committee would:

- recommend to Council that the following amendments to the Council's Constitution be authorised: (i) The amendments to the Pensions Committee terms of reference as detailed in paragraph 2.1 below (i) That all references to CHAS 2013 Ltd be removed from the Constitution as detailed at paragraph 2.4
- noted that the Monitoring Officer will use her delegated authority under Article 15.2(b) of the Constitution to make consequential amendments to the Constitution to reflect the new Council structure agreed in September 2022.
- considered whether to recommend to full Council that changes be made to the Published Pay Policy and the Officer Employment Procedure Rules to clarify the approval process for making termination payments to officers and, agreed to recommend option C set out in paragraph 2.8.
- authorised the Monitoring officer to submit amended versions of the terms of reference of the Appointment Committee, the Pay Policy and the Officer Employment Procedure Rules which reflect this Committee's recommendations for approval by Full Council.
- recommended to Council that the Officer Employment Procedure Rules be amended to remove the current requirement for the appointment of the Monitoring Officer to be agreed by full Council as this is not a legal requirement, on this occasion but not in perpetuity.

13 21/22 ANNUAL COMPLAINTS REPORT (Agenda Item 13)

This item was deferred to the July meeting.

14 MEMBER COMPLAINTS (Agenda Item 14)

The Monitoring Officer introduced the report. In response to questions, confirmed that:

- The intention was to prohibit linking to party political websites and social media, not all websites/social media
- The council's own website and social media would not count as an external website or social media account
- If Councillors linked their own social media accounts to their official council emails, it would be hard for them to defend a complaint about something on their personal social media not being reflective of a council position.

It was RESOLVED that the committee:

- noted the number and types of complaint received by the Monitoring Officer in the last six months;
- agreed that there should be an absolute prohibition on the inclusion of links to external websites and social media accounts which contain party political content in emails sent by councillors;
- asked the Monitoring Officer to write to all councillors reminding them of the need to take care when using council resources including council email addresses to ensure they are not being improperly used for party political purposes and to seek advice from the Monitoring Officer or Deputy Monitoring Office if there is any doubt.

15 WORK PROGRAMME (Agenda Item 15)

It was RESOLVED that:

- The departments/teams with long term Priority One Audit entries should come to the next meeting
- The Work Programme needs updating to reflect the next meeting is in July, not June
- Member enquiries analysis can be brought to the September meeting
- The timing of the November meeting may need to be moved to accommodate the budget reporting

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Committee: Standards and General Purposes Committee

Date: 19 July 2023

Agenda item: Wards:

All

Subject: Annual Governance Statement 2022/23

Lead officer: Polly Cziok – Executive Director of Innovation and Change

Lead members: Martin Whelton Chair of Standards and GP Committee

Contact officer: Margaret Culleton- Head of Internal Audit

margaret.culleton@merton.gov.uk telephone: 0208 545 3149

1. Summary

- 1.1 This report presents the Council's Annual Governance Statement (AGS) for 2022/23. This statement is required to comply with Regulation 6 (3) of the Accounts and Audit regulations 2015 and the CIPFA/SOLACE standards. The AGS provides residents and other stakeholders an overview of the governance arrangements in place at the Council and assurance regarding the adequacy and effectiveness of those arrangements.
- 1.2 As required by the CIPFA standards, the draft AGS will be signed by the Chief Executive and Leader of the Council for inclusion in the draft accounts.

2. Recommendation

- 2.1 To agree the 2022/23 Annual Governance Statement (as contained in Appendix A) for inclusion within the Council's Statement of Accounts

3. Details

- 3.1 The purpose of the Annual Governance Statement is to report on the robustness of the Council's governance arrangements. Corporate governance is defined, for the purposes of this report as:

'The framework of accountability to users, stakeholders and the wider community, within which organisations take decisions, and lead and control their functions, to achieve objectives. The quality of corporate governance arrangements is a key determinant of the quality of services provided by organisations'

- 3.2 Regulation 5 (1) of the Accounts and Audit Regulations 2015 requires that the Council undertake an effective internal audit to evaluate the effectiveness of the risk management, control and governance processes, taking into account the Public Sector Internal Auditing Standards or guidance.
- 3.3 Regulations 6 (1)(3) states the Council must, each financial year, conduct a review of the effectiveness of the system of internal control and submit the findings of the review to members of the authority.

- 3.4 The Annual Review is a high-level review carried out by Internal Audit, which provides an assessment of whether the Council complied with the principles of the CIPFA/SOLACE framework for good governance during 2022/23.
- 3.5 The Council's Governance Framework is described in the Annual Governance Statement. This narrative sets out the key elements of governance within the Council and these arrangements which have been assessed as part of this review.
- 3.6 Effective Governance arrangements impact across areas in which we seek to make a difference in Merton, it operates and spans different levels of the Council.
- 3.7 The Council recognises the benefits of strong corporate governance as: -
- Behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable economic, social and environmental benefits and determining the interventions necessary to optimise the achievement of the intended outcomes.
 - Developing the Councils capacity, including the capability of its leadership and the individuals within it.
 - Managing risks and performance through robust internal control and strong public financial management.
 - Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

Governance review

- 3.8 Council-wide governance arrangements have been assessed against the core principles and supporting criteria set out by CIPFA/SOLACE in their publication 'Delivering Good Governance in Local Government 2016'. The Annual Governance Statement uses evidence from a number of specific and general sources spanning the Council's assurance framework and is supported by an annual review of effectiveness, which draws upon the following work:
- An annual review of the Council's governance arrangements against CIPFA standards, as summarised within this report,
 - The Annual Effectiveness Review of the System of Internal Audit and the Head of Internal Audit's opinion on the adequacy of the Council's internal control environment.
 - Completion of governance self-assessments by senior officers
 - Other assurances, such as External Audit, external inspectors, and other independent reviews
 - Discussions with key senior officers to assess the Council's corporate governance framework.

- 3.9 The review of the governance framework against the standard, confirms that it is fit for purpose. An update has been provided on progress of 5 actions identified in the previous year's governance review and 4 actions have been carried over and are included in Table 2, with the 8 actions identified during this review, for implementation in 2023/24 (table 2 of the AGS).

Review of the work of Internal Audit

- 3.10 The Head of Audit is required to provide the Council with an opinion on the adequacy and effectiveness of the internal control environment. The work of Internal Audit during 2022/23 was sufficient to draw a reasonable conclusion as to the adequacy and effectiveness of the Council's control environment.
- 3.11 Based on the work undertaken during 2022/23, there were 79% substantial and above assurances. The limited assurances covered: Children Placements Commissioning, Payroll -bank mandate changes, Financial Review – 14+ and Children in Care Teams, Haslemere Primary School, Planning Enforcement, Direct Payments. There were 18 priority 1 actions in 2022/24 and 4 carried over from previous years. There have been 16 actions implemented and 6 in progress.
- 3.12 Updated comments have been received on the 2 previous years outstanding actions, on Building Control and Transport. These are showing a temporary arrangement has been put in place to manage the risks.

4. ALTERNATIVE OPTIONS

- 4.1 There are no alternative options as the AGS is a statutory requirement, as stated at paragraph 1.1 above.

5. CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1 No external consultation has taken place or is planned for this document.

6 TIMETABLE

- 6.1 This report has been prepared to meet the timetable for the approval of the Statement of Accounts.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1 There are no specific financial, resource or property implications apart from the need to implement the AGS Improvement Plan, which will be completed within existing resources

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1 The AGS is a statutory requirement, as stated at paragraph 1.1 above.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

9.1 There are no specific human rights, equalities or community cohesion implications, except in so far as this report is wholly concerned with good governance.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1 There are no specific risk management or health and safety implications other than the assessment of the Council's risk management arrangements in the AGS

11. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

11.1 Appendix I: Annual Governance Statement 2021/22.

12 BACKGROUND PAPERS – THE FOLLOWING DOCUMENTS HAVE BEEN RELIED ON IN DRAWING UP THIS REPORT BUT DO NOT FORM PART OF THE REPORT

12.1 Annual Governance Statement 2021/22

12.2 CIPFA / SOLACE Delivering Good Governance in Local Government – Framework 2016

12.3 CIPFA / SOLACE Delivering Good Governance in Local Government – Guidance Note for Local Authorities

ANNUAL GOVERNANCE STATEMENT 2022/23

This statement from the Leader and the Chief Executive provides assurance to all stakeholders that within Merton Council processes and systems have been established, which ensure that decisions are properly made and scrutinised, and that public money is being spent economically and effectively to ensure maximum benefit to all citizens of the borough.

Merton Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of managers within the authority who have responsibility for the development and maintenance of the governance environment, the work of Internal Audit and by comments made by external auditors and other review agencies and inspectorates.

1. Scope of responsibility

- 1.1. Merton Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Merton Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 Merton Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness is informed by the work of senior managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's Annual Report, and also by comments made by external auditors and other review agencies and inspectors.
- 1.3 This statement explains how Merton Council has complied with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government* (2016) and the requirements of regulation 6(1b) of the Accounts and Audit Regulations 2015 which requires all relevant bodies to prepare an annual governance statement. The Guidance has identified seven core principles supported by a further 21 sub-principles against which local authorities should measure their compliance. The outcomes of such a review then provide the key issues for Members to consider in relation to the production and content of the AGS.

2 The governance framework

- 2.1 The governance framework comprises the systems and processes, culture and values by which the authority is directed and the activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether

those objectives have led to the delivery of appropriate services and value for money.

- 2.2 The Governance Framework summarised in this Statement has been in place at the Council for the year ended 31 March 2023 and up to the date of approval of the Statement of Accounts. Some of the key elements of the Authority’s governance framework are described below.

The Constitution

- 2.3 The Council’s Constitution sets out how decisions are made and the procedures that are followed to evidence open and transparent policy and decision making and compliance with established policies, procedures, laws and regulations. The Monitoring Officer completes an annual review of the Council’s Constitution and to ensure its aims and principles are given full effect.
- 2.4 The Council operates a cabinet system for decision-making. Meetings are open to the public, except where personal or confidential matters are being discussed. Members are reminded to keep their register of interests up to date on an annual basis and are requested to make any disclosable pecuniary interests in any business to be considered at the start of all committee meetings. Key elements of the governance framework operating during the year under review (2022/23) include the following bodies:

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| The Full Council | The full council sets the policy and budgetary framework and is responsible for the appointment of the mayor; members of other bodies such as Scrutiny, other Committees, and local committees. It also adopts the Code of Conduct for Councillors, agrees any changes to the Councils constitution and terms of reference for committees, panels, and other member bodies. These meetings are open to the public, except where personal or confidential matters are being discussed. Reports from local community forums (for each area; Wimbledon, Raynes Park, Collier Wood, Morden, and Mitcham) are reported regularly to Council. |
| Cabinet | The Cabinet is the part of the Council that is responsible for most executive decisions. The Cabinet is made up of a maximum of 10 Councillors, including a Leader elected by the Council and a Deputy Leader appointed by the Leader. The Cabinet is required to make decisions which are in line with the Council’s overall policies and budget. If it wishes to make a decision that is outside the budget or policy framework, the decision must be referred to the Council as a whole to decide. |
| The following committee are key components of the Council’s corporate governance | |

| | |
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| <p>Overview and Scrutiny</p> | <p>The Overview and Scrutiny Commission and Panels are responsible for holding the executive to account, influencing the decision-making process, and shaping the development of new policy. Scrutiny oversees the development of the council’s business plan and budget and takes an active role on financial and performance monitoring of council services. Three scrutiny panels cover all portfolios, and all areas of council activity. The Commission comprises fourteen members, four of whom are statutory co-opted members. In 2022-23 the Chair of the Commission is the leader of the Merton Park Ward Independent Resident Group.</p> <p>The Council has the following scrutiny panels: - Overview and Scrutiny Commission; Sustainable Communities Overview & Scrutiny Panel: Healthier Communities & Older People Scrutiny Panel: Children & Young People Overview & Scrutiny Panel</p> |
| <p>Standards and General Purposes Committee</p> | <p>The Standards and General Purposes Committee is responsible for a range of non-executive functions, including electoral matters and personnel issues. It also has responsibility for considering and making recommendations to Full Council on any changes to the council’s Constitution. The Committee comprises twelve members, and the Council’s two Independent Persons regularly attend as observers. This committee is a key component of the Council’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 Council's Standards function is undertaken by this committee, as well as discharging its responsibility as an audit committee. The following items were covered in 2022/23.</p> <p>July 22 External Auditors Annual Report 2020-21 and Planning Report. Annual Governance Statement. Internal Audit Annual Report. Report Amendments to the Constitution. Political Group Use of Council Resources. Freedom of the Borough. Complaints against Members</p> <p>Oct 22 Appointment of Independent Person, Annual Complaints Report.</p> <p>Nov 22 External Audit Annual Letter. Internal Audit Progress Report. Fraud Update Report. Final Accounts. Risk Management. Annual Gifts and Hospitality Report (members) Annual Gifts and Hospitality Report (officers) Hearings Sub-Committee.</p> |

| | |
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| | <p>An annual review of the on the effectiveness of the committee has been carried out against the CIPFA updated guidance 2022 on Audit Committees. This included members completing a skills assessment and a review of the terms of reference against the Cipfa recommended terms of reference. This identified areas to be included in the TOR and future training plans. A review of the committees Terms of Reference will be undertaken in 2023/24.</p> <p>Action 1: Review Standards and General Purposes Committee Terms of Reference.</p> |
| Pensions Committee | <p>This committee function is to establish, (in consultation with relevant advisors), appropriate investment policy for the Pension Fund, and to advise General Purposes Committee accordingly. Advise officers on the exercise of their delegated powers concerning the management and investment strategy of the Pension Fund and to report to and advise the Standards and General Purposes Committee as appropriate. Monitor the performance of the Pension Fund relative to its objectives, benchmarks and targets, and to prompt remedial action as necessary. To review the draft Annual Report and Accounts for the Pension Fund and provide comments to the Standards and General Purposes Committee and Audit Committee in respect of the investment matters.</p> |

- 2.5 A calendar for upcoming meetings is published on the Council’s website and all the minutes of the committees are published including any reports discussed. During 2022/23 the meetings were live streamed and available through different format such as audio and video with closed captions and available on platforms such as YouTube, making it transparent and accessible to everyone.

Member training

- 2.6 Members’ induction training is undertaken after each local government election. In addition, an on-going programme of training and awareness is available for Members with formal and informal events each year, covering all major changes in legislation and governance issues. Details of Member development programmes are reported regularly to the Standards and General Purposes Committee. A new member induction programme was agreed by Standards and General Purposes Committee in March 2022, for Councillors elected in the May 2022, local elections. Induction training was provided in June 2022, other training this year has included Climate Change, Budget Scrutiny, Finance workshop and IT drop-in sessions to complete information security training.

Officer-Level

- 2.7 The Council's Constitution sets out the roles and responsibilities of Members and senior officers. The role of the corporate management team, including the statutory chief officers, such as the Head of Paid Service, (Chief Executive) and the Section 151 officer, as well as the Monitoring Officer, is to support Members in the policy and decision-making process by providing assessments and advice to ensure that decision making is rigorous, lawful and risk based.
- 2.8 The Chief Executive is the most senior officer in the Council. The Chief Executive and the Executive Directors may exercise any functions of the Council or the Cabinet which have been delegated to them and they in turn may delegate decisions or functions to one or more officers in any of the Council's directorates, except when prohibited to do so by the Constitution or law.
- 2.9 The law also requires the Council to appoint certain statutory chief officers that are responsible for the governance of the Council and have specific statutory powers. Similarly, the Council must name the 'proper officers' to undertake specific statutory functions.
- Chief Executive: The most senior officer in the Council is the Chief Executive Officer (and Head of Paid Service). Certain matters not reserved to the Council, Leader or Committees (acting either individually or collectively) are decided by the Chief Executive acting under delegated powers, and the Chief Executive is responsible for deciding how executive decisions are implemented.
 - Corporate Management Team (CMT): This is the Council's senior management team, consisting of the Chief Executive, and Directors. The Council was organised into four directorates during 2022/23: • Children, Schools and Families • Community and Housing • Corporate Services • Environment and Regeneration.
 - In 2022/23, a review was undertaken on the structure within the Council, this moved the Council from four Directors to six Executive Directors. This was approved by Council on the 21 September 2022. Appointments were made in January 2023, with four new Directors starting in April/ May 2023.
 - Children's Lifelong Learning and Families
 - Environment, Climate Change and Civic Pride
 - Housing and Sustainable Development
 - Finance and Digital
 - Innovation and Change
 - Adult Social Care, Public Health and integration
- 2.10 The Councils Constitution and scheme of Management will be updated in 2023/24 to reflect the new management structures.

Action 2: To review constitution to bring it in line with the new corporate management structures. To review the Scheme of management

- Departmental Management Teams (DMTs): Reporting into CMT are the respective Departmental Management Teams. Each DMT has its own underlying departmental management structure reporting into it.
- Boards– The boards which operate alongside the respective departmental structures providing governance over cross directorate matters, include the:
 - Capital Board (Chaired by Executive Director Finance and Digital)
 - Information Security and Governance Board (Chaired by Executive Director of Innovation and Change)
 - Corporate Procurement Board (Chaired by Chief Executive) (and Departmental procurement groups chaired by Executive Directors)
- Statutory Chief Officers: The statutory chief officers are the:
 - Head of Paid Service (Local Government and Housing Act 1989, s 4)
 - Monitoring Officer (Local Government and Housing Act 1989, s 5)
 - S151 (or Chief Finance) Officer (Local Government Act 1972, s 151)
 - Director of ASC, Public Health and Integration covering Adult Social Services (Local Authority Social Services Act 1970, s 6(A1)) Health (National Health Service Act 2006, s 73A(1)).
 - Director of Children, Lifelong Learning and Families (Children Act 2004, s 18)

2.11 These are officers that the Council must have in place, some of which may be combined and some of which cannot, but they all have additional personal responsibilities. These officers have statutory mechanisms for bringing concerns to the attention of the Council, and for requiring the Council to consider their decisions and actions publicly. Each of these officers has special employment protection to enable them to highlight their concerns. There are a number of other statutory officer roles that a local authority must have in place, (such as, but not limited to, a Scrutiny Officer, a Caldicott Guardian, a Head of Internal Audit and an Information Officer) but these are not chief officer posts in their own right.

2.12 There are clear roles and responsibilities held within the financial regulations and leadership roles are defined within the Council's Constitution. The three chief officer roles with leading responsibilities relating to governance are the:

- Head of Paid Service (Chief Executive) – is responsible for the overall functioning of the Council.
- S151 Officer (Chief Finance Officer) – is responsible for finance and spending. The Council designated the Executive Director Finance and Digital as the Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972.

- Monitoring Officer – is responsible for lawful behaviour. The role of the Monitoring Officer is in accordance with Section 5 of the Local Government and Housing Act 1989). The Council has designated the Managing Director of the South London Legal Partnership as the Monitoring Officer. The Monitoring Officer, who, after consulting with the Chief Executive and the Executive Director of Finance and Digital, may report to the Full Council, if they consider that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission would give rise to unlawful action. The Monitoring Officer oversees Member complaints and 'conduct' matters referred by the Standards and General Purposes Committee and delivers reports and recommendations in respect of those to this Committee.

2.13 The Chief Executive chairs a weekly meeting of the Corporate Management Team to consider key items of business and ensure the organisation is delivering the Council's priorities. Each Executive Director holds weekly Directorate Management Team meetings. These are used to support internal control processes (e.g., budget and risk management, diversity, and inclusion compliance, monitoring of complaints, corporate performance) as well as key business within the department. Executive Directors are then responsible for cascading information down to Assistant Directors and Heads of Service (and vice versa) to ensure effective delivery of Council services and decision making in accordance with the scheme of delegation.

2.14 The Statutory Officers and Executive Directors are responsible for the development and maintenance of the Council's governance and keep the effectiveness of the Council's governance framework under review. The processes which maintain the effectiveness of the governance framework include:

a) The Council's Constitution, which sets out how decisions are made and the procedures that are followed to evidence open and transparent policy and decision making, ensuring compliance with established policies, procedures, laws and regulations.

b) The Council's internal management processes, such as performance monitoring and reporting, the staff performance appraisal framework and monitoring of policies such as corporate complaints and health and safety policies.

c) Mandatory training for officers on Information Security.

d) The financial management of the Council is conducted in accordance with the Financial Regulations set out in the Constitution. The Council's financial management arrangements conform to the requirements of the CIPFA statement on the role of the Chief Financial Officer in Local Government (2016) and the Financial Management Code (2019)

e) Review by CMT and DMTs of departmental and corporate risk registers.

- f) The annual report of the Head of Internal Audit, the opinion of the external auditors in their reports and annual letter.
- g) Findings from fraud and whistleblowing investigations.
- h) The work of Overview and Scrutiny Committee and the Standards and General Purposes Committee; and
- i) Other review agencies, through their inspection arrangements, such as the Care Quality Commission and Ofsted.

Codes of Conduct

- 2.15 The Council has adopted codes of conduct for its staff and its members, including co-opted Members. Officers receive a copy as they are inducted into the organisation. Members and co-opted Members sign an undertaking to abide by their Code of Conduct at the point of their election or appointment. These Codes are available for reference at all times and reminders and training are provided as necessary. Senior officers are required to make annual declarations of interest.
- 2.16 On the 7 July 2021, Council agreed a new code of conduct for members based closely on the model code produced by the Local Government Association, together with a revised process for dealing with complaints that members had breached the code of conduct. The Monitoring Officer reported regularly on a verbal basis to the S&GP Committee on complaints made about Councillors. A written report was presented to S&GP committee in October 2022 setting out the number and type of complaints which have been received and the outcome of those complaints, received since January 2020.

Council Priorities and MTFS

- 2.17 A new Council Plan, covering the period 2023 to 2026 was developed during 2022/23 and adopted by Council in April 2023.
- 2.18 The new Council Plan 'Building a Better Merton Together' sets out the ambition for Merton, strategic priorities, guiding principles and delivery objectives. This sets out 3 key objectives.
 - Nurturing Civic Pride
 - Building Sustainable Future
 - Creating a Borough of Sport
- 2.19 The Council's Business Plan sets out the Council's priorities for improvement over the next four years and is reviewed every year to ensure that it always reflects the most important improvement priorities. Service Plans are reviewed every year to ensure they outline the key issues and priorities for the department. The Medium-Term Financial Strategy (MTFS) outlines how much

money the Council expect to receive over the next four years and in broad terms what we expect to be spending this on.

- 2.20 The Constitution contains the requirements for consulting Overview and Scrutiny on the budget and business plan. There is an initial phase of scrutiny in November each year, with the second round in January representing the formal consultation of scrutiny on the proposed Business Plan, Budget, and Capital Programme the Business Plan 2022-23 was approved by Overview and Scrutiny and Cabinet in February 2022.
- 2.21 Reports on progress of the 2022/23 Business Plan were made to Cabinet on 21 March, 18 July, 22 September, 7 November, 5 December 2022, 16 January 2023 (Business Plan 2023-27 approval) and 20 February 2023.
- 2.22 On 1 March 2023 Council agreed the Budget 2023/24 and MTFS 2023-27. A balanced budget was set for both 2023/24 and 2024/25 with gaps remaining in future years which needs to be addressed. Budgets have been realigned to match the new department structures.
- 2.23 Merton's Climate Strategy and Action Plan was adopted in November 2020. It sets an aim to reach the net-zero targets formed as part of our climate emergency declaration to decarbonise the borough by 2050 and the Council by 2030. It sets out the transformative change and high-level actions required to create a green and circular economy, to decarbonise Merton's buildings and energy supply, support a switch from petrol and diesel vehicles to greener alternatives. The council has invested an additional £2million to increase capacity to deliver the Climate Strategy & Action. A 3-year climate action plan was agreed by Cabinet in March 2023.
- 2.24 The councils Key Strategic Risk register has identified a high risk in relation to the recruitment of key staff working to implement the climate change action plan. 'Despite full funding and posts and attempts via permanent and agency recruitment all through 2022, posts remain vacant: 3 out of 5 posts in Future Merton climate change team, including those for resident and business retrofit support • Facilities Management buildings surveyor post. • Fleet management carbon reduction post'. During 2023/24, further recruitment will be undertaken. An Internal Audit review is scheduled for 2023/24.

Action 3: Recruitment to key officers to action climate change

- 2.25 There are regular opportunities for leadership challenge and discussion through monthly reporting of financial performance to CMT and the budget setting process and regular reports to the Overview and Scrutiny Committee.
- 2.26 A Capital Strategy and Accompanying Treasury Strategy are published annually as part of the MTFS. These are compliant with the Prudential Code and other relevant guidance. Future investment is linked to available capital resources and the costs of investment are planned for in the revenue budget. The commercial property investment portfolio is managed and monitored through regular Capital Board meetings. Officers provide robust challenges and make consideration of all options for prudent investment opportunities that

are permissible within current guidance or funding constraints.

- 2.27 Budget holders are held accountable for their own budgets through monthly DMT reviews and monthly reviews at CMT. Performance information is reviewed on a quarterly basis at both DMTs and CMT level, with quarterly reporting to the Overview and Scrutiny Committee.

Financial Management

- 2.28 The financial management of the Council is conducted in accordance with the Financial Regulations set out in the Constitution. The Council has designated the Director of Finance and Digital as the Chief Financial Officer in accordance with Section 151 of the Local Government Act 1972.
- 2.29 A review of the Council's Financial Regulations, Financial Procedures and Schemes of Management are currently in progress.

Action 4: Completion of the review of Financial Regulations and procedures

- 2.30 The Council's financial management arrangements conform to the requirements of the CIPFA statement on the Role of the Chief Financial Officer in Local Government (CIPFA 2016). The Executive Director of Finance and Digital is required to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves.
- 2.31 A new Financial Management (FM) Code was introduced by CIPFA, setting out the standards for financial management in Local Authorities. The FM Code applicable in full, from 2021/22, is the collective responsibility of elected members, the Section 151 Officer and the leadership team of the Council to ensure that compliance with the Code is monitored and that the requirements are being sufficiently met. The principles of the FM Code are supported by specific standards and statements of practice which are considered necessary to provide the strong foundation to financially manage the short, medium and long-term finances of a local authority and financial resilience to meet demand on services.
- 2.32 A review of the Council's current financial management arrangements were undertaken against the FM Code, in 2021/22. The findings from this review and a set of proposed actions to further improve the financial management arrangements were reported to CMT. This review and progress of actions will need to go to Standards and General Purposes Committee in 2023/24.

Action 5: Results and action taken on the review of compliance with the Financial Management code to be reported to Standards and General Purposes Committee in 2023/24.

- 2.33 The Council uses Cipfa's financial resilience index tool. This is a comparative analytical tool used by local authorities to provide an understanding of the council's financial resilience and risk. It highlights areas requiring additional

scrutiny. The current analysis shows that the council has low financial risk, compared to other London Boroughs.

- 2.34 The annual financial planning process includes two rounds of budget scrutiny each year where the public can make representations in writing and at meetings.
- 2.35 In 2022/23 the Overview and Scrutiny Panels and the Overview and Scrutiny Commission examined the budget and business plan proposals in February 2022 relating to the service areas within their remit, as well as scrutinising the draft service plans, prior to submission to Cabinet and full Council in March 2023.
- 2.36 The January (period 10) monitoring report for 2022/23 presented to Cabinet on 20 March 2023 reported a forecast net favourable variance at 31 January 2023 on service expenditure of £2.739m, when corporate and funding items are included.
- 2.37 The overall revenue outturn for 2022/23 at year end was a net favourable variance of £2.392m, with this balance being transferred to reserves.
- 2.38 There will be future budget restraints for the Council, with increased inflationary pressures, legacy pandemic costs, delivering the DSG Deficit Safety Valve Agreement by 2026/27 and demand pressures on the budget including social care and Ukraine. This is an area identified on the Key Strategic Risk Register as a high risk.

Action 6 : Regular review and updates on financial planning for areas of increased financial pressure.

Performance, and risk management

- 2.39 A new Corporate Performance Framework was developed alongside the Council Plan and is being implemented in 2023/24. This includes a move to more timely monthly reporting to the Corporate Management team where data availability allows for this. Directorate Plans, with a new format, have been reintroduced for 2023/24 alongside a refreshed 'Golden Thread' framework that links the Council Plan through to objective setting for individual employees.
- 2.40 This will enable the Council to track its own progress on priority areas of delivery - such as keeping our streets clean, building new housing and increasing participation in sports and leisure – but also flag any emerging issues in key service areas. Performance will continue to be monitored in those areas which are critical to our core statutory duties and functions, as well as financial sustainability and organisational health ('Core Service Areas'). Further work will be carried out in 2023/24 with departments to refine indicators, profile targets, and develop an improved approach to corporate performance reporting.
- 2.41 The Council has a risk management process to identify, assess and manage those significant risks to the Council's objectives including the risks of its key

strategic partnerships. The risk management process includes corporate and Departmental risk registers. All departments review their risks quarterly at their respective DMTs, followed by a review of all risks by the Corporate Risk Management Group (CRMG). The final quarterly report is presented to CMT to review the risks that are on the Key Strategic Risk Register (KSRR); these are significant risks, which may have a strategic impact on the council. The top strategic risks for the council have been identified as.

- budget pressures, (including cost of Living and High Inflation including future pay awards).
- supporting children with additional needs and the DSG Deficit
- Social Care increased demand.
- implementation of the Climate Action Plan
- risk of a Cyber-attack.

2.42 The revised Risk Management Strategy and Key Strategic Risks was reported to Standards and General Purposes Committee in November 2022 prior to approval by Cabinet on 20 February 2023 and Council on 1 March 2023 as part of the 2023/27 Business Plan.

2.43 The Council has a performance planning process supplemented by detailed business planning to establish, monitor, and communicate the Council's objectives. This includes a performance management system that sets key targets and reports on performance monitoring. The performance management framework is utilised to measure the quality of services for users, to ensure that they are delivered in accordance with the Council's objectives and that these services represent the best use of resources and value for money.

2.44 Annual Service Plans were not required for 2022/23 but regular monitoring of existing Corporate and Service Plan indicators was maintained. Review and challenge of PIs are established within ongoing performance management arrangements with monthly, quarterly, and annual returns, including to external bodies. Performance reports are produced in accordance with agreed timescales and include regular reporting of both Key and Service-related Performance Indicators. During 2022/23 the format of this reporting was developed to provide more contextual information from Directors on key performance issues.

2.45 London Authority Performance Solutions provides current comparison data across London for approximately 30 Indicators to compare and challenge if our data changes markedly and report to Corporate Management Team

Information Governance

2.46 The Council has designated the Executive Director of Finance and Digital as Senior Information Risk Owner. Quarterly Information Security and Governance Board meetings are held to review policy, procedures, and data breaches, with representatives from each department and key officers.

2.47 To minimise cyber security threats and to support the efficient delivery of Council

services the need to refresh IT security is constant. Annual online Information Security training is mandatory for all staff. This has been identified as an area of concern for the Council and is included on the Council's Key strategic Risk Register.

- 2.48 In 2022/23, 137 data breaches were logged, this compares to 72 in 2021/22 and 43 in 2020/21. No breaches were required to be reported to the ICO.
- 2.49 The Council's commitment to openness and transparency to publish data is freely available on the Council's website. The council publishes most of the information specified by the government's Open Data requirements on the council's Open Data webpage.
- 2.50 Under the Freedom of Information (FOI) Act, a public authority must respond to an FOI request within 20 working days. The council is measured against a target of 90% of FOI requests dealt with in time. In 2022/23, the total number of requests made were 1,414 of which 1,175 (83.1%) were responded to on time. This compares to 2021/22, total requests 1,341, with 1,171 (87%) responded to in time.
- 2.51 The Council is required to respond to Subject Access Requests (SAR) within 1 month. The number of SARs in 2022/23 were 108, of which 61 (56.5%) were responded to on time.
- 2.52 Performance is reported to the Corporate Management Team monthly and is also published on the council's website via the performance monitoring dashboard.
- 2.53 A report from ICO has resulted in an action plan approved by the ICO, which will be implemented during 2023/24. The action plan covers, includes updating policies, ensuring staff have received training in the last 12 months, updating the Information Access Registers, review complaints procedures.

Action 7: To implement the Information Governance action plans, update policies, training for staff, update information access registers and review complaints procedures.

Complaints

- 2.54 To ensure that concerns or complaints from the public can be raised, the Council has an established formal complaints policy which sets out how complaints can be made, what should be expected and how to appeal, the latest policy was last reviewed in April 2017, and is due to be reviewed in 2023/24 to bring it in line with the Ombudsman guidance that was issued in October 2020.

Action 8: A review of the Complaints policy to bring it in line with the Ombudsman guidance that was issued in October 2020

- 2.55 The Council is currently in the process of developing the CRM (Customer Relations Management) system to support handling of complaints, due to go live in June 2023. New guidance has been drafted to support the system. All

complaints processes have been reviewed in developing this system, and once online should be fully compliant with LGSCO guidance. The system has been designed with LGSCO guidance in mind from complaint entry right the way through to responding to complaints, resolving them, learning lessons and reporting.

- 2.56 Council's performance in responding to complaints is reported to the Corporate Management Team monthly and published on the council's performance monitoring dashboard. An annual complaints report is reported to S &GP.
- 2.57 The last annual report 2019/20 went to S&GP Committee in March 2021. Reports for 2021/22 and for 2021/22 have been prepared and are due to go to committee in 2023/24.
- 2.58 The number of complaints received by the Council in 2022/23 was 887, (720 in 2021/22 and 410 in 2020/21). The number of complaints escalating to stage 2 has risen slightly from, 10.4% in 2020/21 and 10.8% in 2021/22 to 12% in 2022/23. The number of Ombudsman referrals has reduced from 42 in 2020/21 to 11 in 2021/22 to 44 in 2022/23 (12 were upheld).

Safeguarding

- 2.59 The Council's approach to safeguarding both in relation to vulnerable adults and children is led by the Executive Director for CLLF and Executive Director for Adult Social Care, Integrated Care and Public Health Living and also subject to the relevant statutory inspections. The Merton Safeguarding Adult Board is independently chaired.
- 2.60 Merton Safeguarding Children Partnership has three independent posts to support its core duty to promote the welfare of children and monitor the strength of partnership working; An Independent Person, to act as chair; An Independent Scrutineer, and A Young Scrutineer.
- 2.61 In September 2019, Ofsted highlighted several areas of concern with Merton's provision of SEND. Between 17 and 19 October 2022, inspectors from Ofsted and the CQC returned to the borough and spoke with children and young people with special educational needs and/or disabilities (SEND), parents and carers, and practitioners and managers across the local partnership.
- 2.62 The results of this inspection showed that Merton's SEND partnership has met all targets for improvement set out by Ofsted and the Care Quality Commission (CCQ), which recognises the council and local NHS have "made sufficient progress in addressing all of the significant weaknesses identified at the initial inspection".

Learning and Development

- 2.63 Staff developmental needs are identified through the Council's Appraisal Scheme. The Council's Learning and Development team delivers and/or commissions a suite of elective and mandatory courses, children, and adult

social care specialisations in a variety of formats, including e-learning through a centralised learning management system.

- 2.64 Staff induction includes a requirement for the new employee to complete their mandatory and Merton specific training, on information security, equality and diversity, fraud awareness. They are required to read Information security and IT policies. They are also required to attend virtual induction welcome videos from the Chief Executive and Corporate Management Team and other videos on subject matter expect. Other job specific training is in place for staff working in areas of social care, public health etc.

Business Continuity

- 2.65 The Council has a Corporate Business Continuity Management Policy and Strategy. Business Continuity Plans were reviewed and tested in December 2020 and found to be effective and are due to be reviewed in 2023/24. Business Continuity threats has been identified on the Councils Key Strategic Risk register as an area to be reviewed due to increased IT risks and as well emergency planning arrangements to be refreshed.

Action 9: Business Continuity Plans to be reviewed in 2023/24

Working in partnership

- 2.66 The Council works with a number of other public sector bodies, organisations and voluntary groups. Partnerships include: Children's Trust, Learning Disability Partnership Board, Merton Partnership, Safer Merton, South London Waste Partnership, Multi-agency Public Protection Arrangements Boards, Multi Agency Risk Assessment Boards and Merton Health and Wellbeing Board.

- Merton Health and Wellbeing Board brings together the Council, NHS partners, including the Clinical Commissioning Group, and patient representatives to have oversight of the Council's public health functions and ensure health services in the borough are properly integrated. This board met 3 times in 2022/23 and covered integrated care strategy and forward plan. The Merton Health and Care Plan 22-24 was agreed at the September 2022 committee.

- 2.67 Merton is a member of the South West London and Surrey County Council Joint Health Overview and Scrutiny Committee (SWL&SCC JHOSC). This is a joint standing committee with representation from six London Boroughs and Surrey County Council (Merton, Croydon, Kingston, Sutton, Richmond, Wandsworth and Surrey County Council). Its purpose is to respond to changes in the provision of health and health consultations which affect more than one constituent area. The JHOSC can also establish subcommittees to look at specific issues.

Some of the key changes in 2022/23 were in the following areas.

Statutory Integrated Care System

- 2.68 From 1 July 2022 the South West London NHS Integrated Care System (ICS)

Board, became a statutory organisation led by two new bodies: the NHS Integrated Care Board (ICB) and the Integrated Care Partnership (ICP).

- 2.69 The South West London ICS brings together NHS organisations, the boroughs of Croydon, Kingston, Merton, Richmond, Merton & Wandsworth, Healthwatch organisations, charities, and community voluntary organisations. The aim of the ICS is to achieve four aims: to improve outcomes in population health and healthcare; to tackle inequalities in outcomes, experience, and access; to enhance productivity and value for money; and to help the NHS support broader social and economic development.

Shared Service arrangements

- 2.70 The Council has Shared Service arrangements with 4 other councils, Kingston, Merton, Richmond and Wandsworth for the Shared Legal partnership (Sllp), Internal Audit, Fraud and Regulatory Services (with Richmond and Wandsworth). The governance arrangements for these services are managed through Shared Service Boards (SSB) comprising senior officers from each of the Councils. The boards meet at least four times a year. Each board meeting provides an opportunity to focus upon key areas of shared service delivery. Alongside looking at performance, monitoring and supporting key delivery priorities and issues.

Council owned companies

- 2.71 The Committee on Standards in Public Life carried out a review on Local Government Ethical Standards in January 2019 which recommended areas of best practice.

Best practice 14: Councils should report on separate bodies they have set up or which they own as part of their annual governance statement and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness and publish their board agendas and minutes and annual reports in an accessible place.

- 2.72 The governance arrangements for the Council owned companies are overseen by the Merton Shareholdings Board. This is a sub-committee of the Strategy and Resources Committee and comprises five elected members appointed on a politically proportional basis. The Council has the following companies.

- **CHAS 2013 Ltd (CHAS)**. The company was incorporated on the 28 March 2013, to provide both desktop and onsite supplier/contract risk management assessment and services. The accounts are audited by EY and filed and published with Companies House. On the 7 November 2022, Cabinet approved that the sale of the company. On the 13 January 2023, Companies house is recorded as the London Borough of Merton cessation of control.
- **Merantun Development Limited** A decision was made by Merantun Development Limited subcommittee in December 2020 to dissolve the company Merantun Development Ltd in 2021/22. An application was

made to Company House on the 24 March 2022 to strike off and dissolve the company, this application is showing on Companies House records as being dissolved on the 21 June 2022.

3 Internal Audit and Fraud

- 3.1 The Council maintains an effective Internal Audit service which operates, in accordance with the Public Sector Internal Audit Standards. The Council's assurance arrangements conform to the governance requirements of the *CIPFA Statement on the Role of the Head of Internal Audit (2019)*. An internal Public Sector Internal Audit Standards internal review for 2022/23 of the Internal Audit service concluded that the service is satisfactory and fit for purpose. A five-year external review is due to be undertaken in 2023.
- 3.2 Internal audit is responsible for monitoring the quality and effectiveness of internal controls. Using the Council's risk registers and an audit needs assessment, a plan of internal audit work is developed. The outcome of the internal audit risk-based work is reported to Directors and regularly to the Standards and General Purposes Committee. Implementation of recommendations is monitored, and progress reported. Regular fraud update reports are presented to the Standards and General Purposes Committee by the South West London Fraud Partnership (SWLFP).
- 3.3 The Council has an Anti-Fraud and Corruption Strategy setting out its commitment to prevent and detect fraud and corruption. The Council has a Whistleblowing Policy (due for review in 2023/24) which clearly sets out arrangements in place for reporting and investigating any concern relating to a deficiency or breach in the provision of services; the guidance reassures that this may be done without fear of recrimination.
- 3.4 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.
- 3.5 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.
- 3.6 Internal Audit reviews in 2022/23 provided 79% substantial assurance that controls were in place. There were 6 limited assurance reviews in relation to weaknesses in: -

- Children Placement Commissioning
 - Payroll -bank mandate changes
 - Financial Review – 14+ and Children in Care Teams
 - Haslemere Primary School
 - Planning Enforcement
 - Direct Payments (adults)
- 3.7 Where weaknesses are identified, follow up action is undertaken to ensure prompt improvement of controls. There were 18 priority 1 actions issued in 2022/23, with 14 of these implemented and 4 in progress. The council also has 2 outstanding actions in progress from 2021/22.
- 3.8 Internal Audit identified a number of weaknesses in due diligence checks undertaken in relation to bank account changes for accounts payable and payroll.
- 3.9 Internal audit identified in schools in relation to fixing the approved budget on the system and managing cash flow.
- 3.10 A Whistleblowing Policy has been adopted to enable staff, partners, and contractors to raise concerns of crime or maladministration confidentially. This has been designed to enable referrals to be made without fear of being identified. These arrangements are part of ensuring effective safeguarding, counter-fraud and anti-corruption arrangements are developed and maintained in the Council. The operation of this policy is overseen by the Head of Internal Audit, Head of Fraud, Legal, Head of Human Resources, and the Monitoring Officer bi-monthly.
- 3.11 The Whistleblowing Policy, Anti Money Laundering policy and Anti-Fraud and Corruption Policy is due for review in 2023/24. Regular Fraud update reports were presented to the Standards and General Purposes committee.

Action 10: All fraud policies will be reviewed and updated in 2023/24 (Anti-Fraud and Corruption Policy, Whistleblowing and Anti Money Laundering policy)

- 3.12 The Head of Audit is required to provide the Council with an opinion on the adequacy and effectiveness of the internal control environment. In the Annual Report on the work of Internal Audit.

During 2022/23 the Head of Internal Audit is satisfied that sufficient internal audit work has been undertaken to draw a reasonable conclusion as to the adequacy and effectiveness of the Council's control environment.

4 Other Assurances

- 4.1 External Assurances provided during 22/23, include the following: -
- External audit. The Council's external auditors are Ernst and Young. They undertake the audit of Accounts & Auditors Annual Report
 - CIPFA Financial Resilience Index

- ISO accreditation for South London Legal Partnership
- Grant Thornton review on CHAS disposal
- Ofsted- February 2022- rated Children, Schools and Families an outstanding children service department
- Ofsted of SEND – positive outcome.
- Ofsted inspection of 26 schools with 24 achieving good or better outcome results

5 Assurance by Directors and Assistant Directors

5.1 The Council ensures corporate ownership of the Annual Governance Statement through requiring senior management to complete a Self-Assessment covering the controls in place in their service areas. The statement provides assurance that they have reviewed arrangements for meeting their responsibilities in relation to:

- Service planning.
- Counter fraud and corruption.
- Finance and budgetary control.
- Human resources.
- Internal control.
- Partnership arrangements.
- Performance.
- Risk management; and
- Value for money

6. Conclusion

6.1 This annual review has shown that the governance framework is consistent with the principles of the CIPFA / SOLACE best practice framework and the examples of the arrangements that should be in place. In particular, Internal Audit has reviewed the effectiveness of the system of internal control for 2022/23. The Head of Internal Audit's opinion based on this work, is that the system of internal control is generally sound and effective.

Table 1 Update on issues identified in previous years review for 2022/23

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| 1. Ambitions for the borough |
| <p><u>Proposed Action:</u> The Council is currently working on ambitions for the borough after the local elections. This will result in the agreement of a new ambition that will inform the development of the Business Plan for 2022/26</p> |
| <p><u>Progress on action:</u> The Council set out its new Corporate Plan 'Building a Better Merton Together' setting out the overarching strategic objectives to guide the work of the administration and council from 2023 to 2026, this was approved by Overview and Scrutiny and Council in February 2023. Further work is in place to set objectives and targets for each of the main council themes.</p> |
| 2. Response to the Climate Emergency and failure to reduce carbon emissions in the borough (carry forward) |
| <p><u>Proposed Action:</u> On-going review and monitoring of progress against the Council's action plan, lobbying for funding and oversight</p> |
| <p><u>Progress on action:</u> An ongoing commitment to preventing and tackling climate change is a key priority for the Council. The Council has provided £2 million funding. The Council has identified a strategic risk for the council in relation to recruitment severely affecting the capacity to deliver the climate strategy and action plan. Despite full funding and posts and attempts via permanent and agency recruitment all through 2022, posts remain vacant: 3 out of 5 posts in Future Merton climate change team, including those for resident and business retrofit support • Facilities Management buildings surveyor post. • Fleet management carbon reduction post. During 2023/24, further recruitment will be undertaken.</p> |
| 3 Review and update of the Financial Regulations and Procedures and Scheme of Delegation (carry forward) |
| <p><u>Proposed Action:</u> Completion of the review of Financial Regulations, procedures, and Scheme of Delegation</p> |
| <p><u>Progress on action:</u> This has commenced and will be completed in 2023/24</p> |
| 4 Medium Term Financial Sustainability (on-going) |
| <p><u>Proposed Action:</u> The last few years have required short term financial plans. Now need to consider longer term plans with the MTFs that reflects the new ambition for the council along with revised Business Plan. The uncertainty due to the impact of the cost of living, high inflation, and the energy crisis will need to be closely monitored.</p> |
| <p><u>Progress on action:</u> On 1 March 2023 Council agreed the Budget 2023/24 and MTFs 2023-27. A balanced budget was set for both 2023/24 and 2024/25 with gaps remaining in future years which needs to be addressed. Budgets have been realigned to match the</p> |

new department structures. Current inflation levels remain high and there are budget pressures, (including cost of Living and High Inflation including future pay awards). supporting children with additional needs and the DSG Deficit and Social Care increased demand.

5 Complaint's process and updated policy (carried forward)

Proposed Action: The latest complaints policy was issued in April 2017, is currently under review to bring it in line with the Ombudsman guidance that was issued in October 2020 with a new policy to be released 22/23

Progress on action: In 2022/23 service concentrated on development of the CRM (Customer Relations Management) system to support handling complaints, which is due to go live in June 2023. New guidance has been drafted to support the system. All complaints processes have been reviewed in developing this system, and once online should be fully compliant with LGSCO guidance. A new policy will be prepared in 2023/24.

Table 2 Actions for 2023/24

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|--|
| 1. Review of Standards and General Purposes Terms of Reference |
| <u>Proposed Action:</u> Review Standards and General Purposes Committee Terms of Reference to bring it in line with Cipfa recommendations. |
| <u>Responsible Officer:</u> Monitoring Officer |
| 2. Review constitution and Scheme of Delegation |
| <u>Proposed Action:</u> To review constitution to bring it in line with the new corporate management structures. To review the Scheme of delegation. |
| <u>Responsible Officer:</u> Monitoring Officer |
| 3. Response to the Climate Emergency and failure to reduce carbon emissions in the borough (carry forward) |
| <u>Proposed Action:</u> Recruitment to key officers to action climate change agenda |
| <u>Responsible Officer</u> Executive Director Housing and Sustainable Development and Executive Director Environment, Civic Pride and Climate |
| 4 .Review and update of the Financial Regulations and Procedures (carried forward) |
| <u>Proposed Action:</u> Completion of the review of Financial Regulations and procedures |

| |
|---|
| <u>Responsible Officer</u> : Head of Business Planning |
| 5. Finance Management Code compliance |
| <u>Proposed Action</u> : Results and progress on actions on the review of compliance with the Financial Management Code to be reported to Standards and General Purposes Committee in 2023/24 |
| <u>Responsible Officer</u> : Director of Finance and Digital |
| 6. Financial pressure |
| Proposed action: Regular review and updates on financial planning for areas of increased financial pressure. |
| <u>Responsible Officer</u> : Executive Director of Finance and Digital |
| 7. Information Governance action plan |
| Proposed action: To implement the Information Governance action plans, update polices, training for staff, update information access registers and review complaints procedures. |
| <u>Responsible Officer</u> : Managing Director of SLLP |
| 8. Complaint's policy (carried forward) |
| <u>Proposed Action</u> : A review of the Complaints policy to bring it in line with the Ombudsman guidance that was issued in October 2020 |
| <u>Responsible Officer</u> : Head of Communications |
| 9. Business Continuity Plans review |
| <u>Proposed Action</u> : Business Continuity Plans to be reviewed in 2023/24 |
| <u>Responsible Officer</u> : Executive Director Finance and Digital |
| 10. Fraud Policies reviews |
| <u>Proposed Action</u> : All fraud policies will be reviewed and updated in 2023/24 (Anti-Fraud and Corruption Policy, Whistleblowing and Anti Money Laundering policy) |
| <u>Responsible Officer</u> : Head of Internal Audit/Head of Fraud Partnership |

6.2 Progress managing these issues will be monitored in-year and assessed as part of the next annual review.

7. Statement of the Leader of the Council and the Chief Executive

- 8.1 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by senior management and the Standards and General Purposes Committee. The arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined above. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.
- 8.2 It is our opinion that the Council’s governance arrangements in 2022/23 were sound and provide a robust platform for achieving the Council’s priorities and challenges in 2023/24.

Signed on behalf of Merton Council

Chief Executive:

Date:

Leader:

Date:

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Committee: Standards and General Purposes Committee

Date: 19 July 2023

Agenda item:

Wards: All

Subject: Internal Audit Annual Report

Lead officer: Polly Cziok Executive Director of Innovation and Change

Lead member: Martin Whelton Chair of Standards and General Purposes Committee

Forward Plan reference number:

Contact officer: Margaret Culleton Head of Internal Audit

margaret.culleton@merton.gov.uk

Recommendation:

That Committee review and comment on the Internal Audit Annual Report 2022/23

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 The council has a responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of effectiveness of the system of internal control is informed by the work of the internal auditors. This is detailed in the Accounts and Audit Regulations 2015

Regulation 5 requires an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, and taking into account public sector internal auditing standards or guidance.

Regulation 6 requires bodies to review the effectiveness of the system of internal audit once a year and for the findings of the review to be considered by a committee of the body, or by the body as a whole, as part of the consideration of the system of internal control referred to in regulation 5.

1.2 The guidance accompanying the Regulations states that in practice councils are likely to take assurance from the work of Internal Audit when discharging their responsibility for maintaining and reviewing the system of internal control. External Audit and other review agencies and inspectorates are also potential sources of assurance.

1.3 The Annual Report summarises the work of Internal Audit in 2022/23 and provides the Head of Audit opinion on the adequacy and effectiveness of the internal control environment.

2 DETAILS

- 2.1 The overall opinion is that the internal control environment is satisfactory. During 2022/23 79% of Internal Audit reviews provided substantial or above levels of assurance. This is a slight increase from 2021/22 from 76% substantial assurance.
- 2.2 There have been 6 limited assurance reports issued in 2022/23, with a total 18 Priority 1 actions recommended. We had 19 priority 1 actions carried over from previous years, giving a total of 37 PI's, of which 31 have been implemented and 6 are currently in progress. We have received good engagement with officers during 2022/23, on outstanding audit actions and significant progress has been made to implement these.

3 Head of Audit Assurance

- 3.1 The Head of Audit is required to provide the Council with an opinion on the adequacy and effectiveness of the internal control environment. In the Annual Report on the work of Internal Audit during 2022/23 the Head of Internal Audit is satisfied that sufficient internal audit work has been undertaken to draw a reasonable conclusion as to the adequacy and effectiveness of the Council's control, risk and governance environment.

4 ALTERNATIVE OPTIONS

- 4.1 There are no alternative options as the annual report is a key component of the Annual Governance Statement, which is a statutory requirement,

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1 No alternative consultation has taken place or is planned for this document.

6 TIMETABLE

- 6.1 This report has been prepared to meet the timetable for the approval of the Statement of Accounts.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1 None for the purposes of this report.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1 The report sets out a framework for Internal Audit to provide an annual report for 2022/23. The Local Government Act 1972 and subsequent legislation sets out a duty for Merton and other Councils to make arrangements for the proper administration of their financial affairs. The provision of an Internal Audit service is integral to the financial management of Merton and assists in the discharge of these statutory duties.

8.2 This report is designed to meet the requirements of the Accounts and Audit Regulations 2015

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

9.1 Effective and timely auditing and advice enable departments, voluntary organisations and schools to provide quality services to their clients. These client groups are often vulnerable members of the community, e.g. elderly people, disabled people, asylum seekers and voluntary organisations. The audit service helps to identify weak financial management and sometimes reflects weaknesses in other operational systems such as quality and ethnic monitoring. Audit, therefore, has a crucial role in ensuring that Council resources are used to enable a fair access to quality services.

10 CRIME AND DISORDER IMPLICATIONS

10.1 This report has already summarised activities in relation to fraud and irregularities

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

11.1 A review of Risk Management has been included in this report.

11.2. The Audit Plan has a risk assessment formula built into the process. This takes such aspects as expenditure, income, and previous audit findings into account and calculates priorities and the frequency of the audit.

12 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix A Annual Report

Appendix B Audit Assurance Opinions 2022/23

13. BACKGROUND PAPERS

Internal Audit files and papers.

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LONDON BOROUGH OF MERTON

INTERNAL AUDIT ANNUAL REPORT YEAR ENDING 31ST MARCH 2023

1. Head of Audit Assurance Opinion

1.1 As Head of Internal Audit for the London Borough of Merton, I am required to provide the Council with an opinion on the adequacy and effectiveness of the internal control environment: I base my opinion upon:

- All internal audit assignments undertaken during the year.
- Any follow up action taken in respect of previous audit work.
- Any significant recommendations not accepted by management and the consequent risks.
- Matters arising from previous reports to the Standards and General Purposes Committee
- Any limitations, which may have been placed on the scope of the internal audit.

Opinion

I am satisfied that sufficient internal audit work has been undertaken to allow me to draw a reasonable conclusion as to the adequacy and effectiveness of the Council's control, risk and governance environment. In giving this opinion, it should be noted that assurance can never be absolute and, therefore, only reasonable assurance can be provided, subject to the limited assurance opinions detailed in this report.

1.2 Where weaknesses in controls have been identified, action plans are in place. It is important that departments ensure that audit actions are implemented in a timely manner to ensure effective controls are in place.

2 The Internal Audit Assurance Framework

2.1. A key responsibility of Internal Audit is to give the organisation assurances about the levels of internal control being exercised in the areas of risk and in particular, where there are transactions that are considered "material" to the Council.

2.2. In order to give such an assurance, a balanced programme of Internal Audit reviews is constructed each year. This Annual Internal Audit Plan contains elements of all the Council's activities selected using a "Risk Based" approach. There are many tools used to achieve a balanced plan including undertaking systems reviews, regularity audits (e.g., schools), contract and computer audit, fraud and misappropriation reviews and an annual review of major financial systems such as the main accounting system, payroll, Council Tax and Housing Benefits.

2.3 For each audit carried out, Internal Audit provides an opinion as to the quality of the control environment in the following processes:

- Risks have been identified, evaluated and managed.
- Internal controls reduce risks to acceptable levels
- Action is being taken to promptly remedy significant failings or weaknesses
- The current levels of monitoring are sufficient

2.4 Each audit is given an opinion based on 4 levels of assurance depending on the conclusions reached and the evidence to support those conclusions. Members and management should note that the assurance level is an opinion of controls in operation at the time of the audit. The auditor will agree with management a number of recommendations which, when implemented, will result in a reduction of the exposure to risk. Each recommendation is given a priority ranking and an implementation date and these are monitored on a regular basis by the Internal Audit team. Priority 1 recommendations are defined as being those where major issues have been identified for the attention of senior management.

| Levels of assurance | |
|------------------------------|--|
| Full Assurance | There is a sound system of control designed to achieve the system objectives and manage the risks to achieving those objectives. No weaknesses have been identified. |
| Substantial Assurance | Whilst there is a largely sound system of control, there are some minor weaknesses, which may put a limited number of the system objectives at risk. |
| Limited Assurance | There are significant weaknesses in key control areas, which put the system objectives at risk. |
| No Assurance | Control is weak, leaving the system open to material error or abuse. |

| PRIORITY OF RECOMMENDATIONS | |
|------------------------------------|--|
| 1 | Major issues that we consider need to be brought to the attention of senior management. |
| 2 | Important issues which should be addressed by management in their areas of responsibility to avoid exposure to significant risk. |
| 3 | Minor issues where the risk is low. Action is advised to enhance control or improve operational efficiency. |

2.5. In addition, each recommendation emanating from the audit review is given a priority rating of 1, 2 or 3 for implementation, with priority 1 being a high risk requiring immediate attention. All recommendations are followed up by Internal Audit to ensure that they have been implemented.

- 2.6. The audit plan for 2022/23 covered those area of high fraud risk, as identified through the Council's own assessments and through information from CIPFA, and other sources, where fraud risks are highlighted. Examples of these are procurement cards, business rates, and direct payments.
- 2.7 These audits reviewed the controls in place, although no fraud was identified in any of these reviews, a number of recommendations were made to improve the controls.

3 Planned coverage and output

- 3.1 The plan was compiled with reference to the Council's Strategic Risk register and following discussions with each departmental management teams (DMTs). This ensured that audit work was focused on the Council's key risks and targeted areas where senior managers required independent assurance over controls in their service areas.
- 3.2 The Council's risk profile is constantly changing. Therefore, Internal Audit and the internal audit plan need to be flexible to be able to respond to these changing and emerging risks. The overall number of reports will be subject to change over the course of the year as audits may be deferred or no longer required. However, additional reviews may be added if concerns are raised about a specific control area or existing reviews may have their budgets increased.
- 3.3 The Internal Audit function is conscious of the significant pressure on resources that the Council is facing and has continued to identify where we can support management through looking to identify potential efficiencies and making recommendations for possibly fewer but better controls wherever possible.

4. Internal Audit Assurances 2022/23

- 4.1. There were 42 audits undertaken during 2022/23 of these 29 provided an assurance opinion.
- 4.2 There were 23 Substantial Assurances or above (79%) and 6 limited assurances (21%). A full list of the assurances can be found in Appendix A. Action Plans for improvements are in place for all audits.

Financial systems

- 4.3 There were six key financial systems reviewed this year, which all received a substantial assurance.

Table 1 Key Financial systems audit assurance for last 3 years

| Financial System | Assurance 2020/21 | Assurance 2021/22 | Assurance 2022/23 |
|------------------------|-------------------|-------------------|-------------------|
| Payroll (iTrent) | Substantial | Substantial | Substantial |
| Pension Administration | Substantial | Substantial | Substantial |
| Cash and Bank | Substantial | Substantial | Substantial |
| Accounts Payable | Substantial | Substantial | Substantial |
| General Ledger | | | Substantial |
| Business Rates | | | Substantial |
| Capital | | Substantial | |

- 4.4 The key financial systems audits found that the controls in place were effective. Some recommendations have been made to further enhance controls, these covered; regular reconciliations to the General Ledger, removing leavers access and completion of an annual review of direct debits. All recommended actions have been accepted and implemented.

Duplicate Payment matches

- 4.5 Internal Audit undertake quarterly Duplicate Payment matches on the Councils Accounts Payable system, by Internal Audit on a quarterly basis. The 2022/23 exercise covered 12 months from April 2022 to March 2023. Based on our results and comments from the Head of Transactional Services, a total value of £175,448 duplicate payments, made up of a total of 41 transactions were identified. A summary of the duplicates is detailed below.

Confirmed Duplicate Transactions 2022/23

| Duplicate and actions taken | Number of Transactions | Duplicated identified April 2021 to March 2022. |
|--|------------------------|---|
| Confirmed duplicate account credited | 11 | £ 127,586 |
| Confirmed duplicate, refund received/correction entered on e5. | 30 | £ 47,862 |
| Total Duplicates Payments | 41 | £ 175,448 |

- 4.6 The Internal team will continue to undertake quarterly duplicate payment matches in 2023/24.

School Audits

- 4.7 School audits are designed to assess their corporate governance, compliance with the Council's Scheme for Financing Schools, and financial management arrangements. During 2022/23 the following schools were audited

- Cramner Primary
- Haslemere Primary
- Hillcross Primary
- Ricards Lodge High School

- Ursuline High School
- Wimbledon College

4.8 All schools, except Haslemere received a Substantial Assurance opinion. Common findings from these reviews related to.

- Non-Adherence to Scheme of Finance for contracts (3 schools)
- Monthly monitoring meetings between the School Business Manager and the Headteacher to discuss budget and payroll reconciliations. (4 schools)
- Budget monitoring reports provided to Governors supported by system generated FMS reports for verification. (4 schools)
- The Debit Card Policy required review and approved by governors. (5 schools)
- Official order not raised and authorised prior to expenditure (3 schools)

4.9 All actions from the school reviews are sent to the Headteacher and Chair of Governors for approval and implementation. A newsletter is issued to all schools to highlights areas of control weaknesses identified on audit reviews during the year and areas of recommended good practice,

5. Key Areas for 2022/23

5.1 Internal Audit has continued to improve their level of engagement with all levels of management. This has been achieved by attending regular DMT's to discuss audit progress and meeting with key stakeholders prior to the start of the audit to agree the audit brief.

5.2 When the audit plan is set, discussions are held with all key people for input; this engagement has enabled the Internal Audit team to focus on the key areas of risk as well as work closely with management to formulate actions to address areas where improvement is required.

5.3 As set out in the above section we have identified areas of good practice and an effective control environment across the majority of the systems, processes and establishments reviewed. This includes the Council's key financial systems.

5.4 However there are a number of areas where further improvements are required to strengthen the control environment and we have summarised the key issues below.

Priority 1 actions

5.5 During 2022/23 Internal Audit made 260 recommended improvement actions, including 18 Priority 1 (P1s) actions. There were also 3 P1's carried over from previous years, giving a total of 21 P1's, of these 13 have been actioned. Management has responded to each of our recommendations stating the action they will take and when it will be implemented.

5.6 We currently have 6 Priority 1 actions outstanding, 2 P1's for audits completed prior to 2021/22 and 4 P1's for reports issued since April 2022.

Table 2: Limited Assurance/Priority 1 audits 2022/23

| Audit | Number of Priority 1 recommendations | Actions outstanding |
|---|---|----------------------------|
| Children Placements Commissioning | 5 | 1 |
| Payroll -bank mandate changes | 1 | 0 |
| Financial Review – 14+ and Children in Care Teams | 4 | 0 |
| Haslemere Primary School | 1 | 0 |
| Payroll -shared (RBK/LBS/LBM) | 1 | 0 |
| Planning Enforcement | 4 | 3 |
| Direct Payments (adults) | 2 | 0 |
| Total P1's | 18 | 4 |

Table 3 Limited Assurance reports issued prior to 2022/23 with outstanding Priority 1 audit actions.

| Audit | Final report date | Number of Priority 1 recommendations | No of P1's outstanding |
|----------------------------|--------------------------|---|-------------------------------|
| Building Control | 5/8/20 | 3 | 1 |
| Transport Fleet Management | | 1 | 1 |
| Total | | 4 | 2 |

Key issues from 2020/21 and 2021/22 (not yet implemented)

5.4 Building Control (final report issued 5/8/20) (1 P1 outstanding)

Issues: The building control surveyor undertakes, site inspections, reviewing the applications for approval, updating the M3 system and issuing the completion certificate, and agreeing invoices. A review on the role of the building control surveyors should be undertaken to ensure a separation of duties.

A full system reconciliation should be established and undertaken regularly to ensure that the requests for inspection fees have been recorded correctly on M3, submitted to finance for payment and payment subsequently received on E5.

Updated action: (June 2023) Specifically with regard to the BC52 procedures and separation of duties, we have looked into this and currently have temporary measures in place until we have fully recruited to the team. We no longer have the building surveyors dealing with the work and raising the invoice. The Interim BC Manager now runs a weekly report and identifies all applications that have started in the previous week. From that report he produces the instruction to

Admin to raise invoices for those projects. Any applicant that has not paid the plan charge strictly have not submitted a valid application so the inspection charge is adjusted to include the plan charge so that the application can be validated. This means in effect that whilst these are temporary measures, the Audit Recommendations have been complied with other than the last part of the process, which is checking on E5 for receipt. This is currently undertaken but not as regularly as required at the moment. This will be put in place within the next 6 months once we have fully recruited.

5.5 Transport Fleet Management (Substantial assurance – 1 P1 outstanding)

Issue: LBM does not currently have a formal Fleet Management Strategy. A formal Fleet Management Strategy should be developed to identify LBM's fleet requirements both currently and in the future. Once a formal strategy has been developed, management should monitor performance in delivering the actions contained within the strategy, and against agreed performance management standards.

Updated Action (June 2023): The service is currently drafting a strategy (project initiated) for the review of fleet and vehicle options with assistance of an external expertise, focusing on how to transition to and deliver fleet requirements and a decarbonised vehicle solution to meet service demands. Time scale for completion is December 2023.

Additionally, the current service and maintenance requirements shall continue to 2025, but the service has reviewed and drafted a comprehensive and new specification for the future service provider in the management of the Council's workshop, providing a range of solutions from regular maintenance to vehicle procurement. Implementation is April 2025.

Key Issues 2022/23

5.6 Children Placements Commissioning (1 audit action outstanding)

Issues: A review of all providers that are not part of the London Commissioning Alliance SLA should be undertaken to ensure that contracts are established. In line with Contract Standing Order the Resource Commissioning Team Manager must ensure that all contracts (including extensions) are signed by both the Councils representative and the service provider, at the time the agreement is entered into. Once contracts have been established, a protocol to establish the monitoring of the contract should also be agreed.

Action: Legal are in the process of updating the contracts to be ready for the DCS's signature

5.7 Payroll -bank mandate changes

Issue: Bank account details held in iTrent were amended directly by HR without carrying out any due diligence checks to ensure that the change request was genuine and that the change of bank details given were correct, resulting in a fraudulent payment being made, The process should further include the

requirement to notify IT services of any security incident and to fully complete a security incident form in the event of any future fraudulent change of bank account request being made

Action: Due diligent checks have now been put in place to ensure that any changes to bank details are confirmed

5.8 Financial Review – 14+ and Children in Care Teams

Issues: A number of control weaknesses have been identified in the use and administration of PFS team pre-paid cards, these will need to be considered going forwards to ensure that effective and robust controls are in place for the new Allpay pre-paid cards.

Action: A review of payments made by bank transfer from team pre-paid cards within the new Allpay system has been undertaken, to ensure a robust system control is in place.

5.9 Haslemere Primary School

Issues: The school must produce and have approved by Governors: - a 3 Year Budget, Recovery Plan and a 1 Year Budget Cash Flow, to supplement the currently 1-year deficit budget being submitted for 2022/23.

Action: This has been completed

5.10 Payroll -shared (RBK/LBS/LBM)

Issues: The lack of controls over changes to standing data regarding changes to payees' bank account numbers requested by payees, there is no clear verification process to ensure that the payees are genuine, and that management / independent review has taken place to reduce the risk of fraud. There is no current formal governance over the customer relationship with LBM and service level agreements have not been approved yet. Monitoring such as risk management, review of payroll access controls and data cleansing payroll information have not been actioned. Additional payment delegation of authority approval levels is not in place for emergency payments.

Action: We have a new control report that runs each month for every payroll that identifies changes to employee bank details performed by staff in the HR/Payroll community AND where that change has taken place outside of the initial set up of bank details by our recruitment team. Any instances are checked to ensure the appropriate instruction is in place.

5.11 Planning Enforcement (3 audit actions outstanding)

Issues: A Local Enforcement Plan is in draft even though the Sustainable Communities Overview and Scrutiny Panel on the 22/02/2022 confirmed the timescale of the 30/04/2022 for the Local Enforcement Plan to be finalised. (This is also an outstanding internal audit action from the Planning Permission and

Approval issued in 2020). The current targets set for logging and acknowledgement of complaints in not being achieved. Sample testing identified long delays. There are significant delays in the targets set for site visits for categories set for A, B and C (3, 10 or 20 days)

Action: A Sustainable Communities Overview and Scrutiny Panel meeting was held in March 2023. This outlined the motion passed in 2022 to reduce the backlog and make improvement to the system. A report compiled by the planning enforcement team leader and presentation and Q & A by the head of service. It is confirmed that the backlog was reduced by more than half and the councillors agreed that the enforcement team has been far more responsive. The new Director of Housing and Sustainable Development approved the draft Local Enforcement Plan (June 2023) which will be finalised and presented to the Cabinet at the first opportunity. A new computer system may be implemented come Summer 2024, where we'll either see improvements in M3 or a new planning software altogether which helps meet the aims highlighted in the enforcement plan.

5.12 **Direct Payments (adults)**

Issues: The access levels on the AllPay system require review. The DPSO's had access to make payments from cardholders 'accounts and the auditor access provided enabled the auditor the ability to order a card. A cardholder with active duplicate cards had balances on both cards (approximately £10k on each card) and no record on Mosaic. Mosaic does not accurately reflect the various ways in which service users receive and manage their direct payments. Various Spreadsheet records are maintained by the team which are not reconciled to the Mosaic system. Audit found four accounts on Mosaic not the Monitoring team's record of all current service use. Sample testing shows delays in returning surplus funds from AllPay. Complaints received not recorded or reviewed.

Actions Direct Payments will reconcile all current accounts at least twice per financial year with the team-based spreadsheets with that on mosaic & update as necessary, investigating any discrepancies. A review of cards on both portals will be undertaken to ensure there is no duplicate card created. This will be periodically reviewed. Any cards identified to be a duplicate will be closed, and the balance returned to the council. Staff will be reminded not to create more than one card for a cardholder. Personal records will be created for all cardholders on Mosaic. The record will highlight their relationship to the service user whose money they manage, where applicable. The team will check that money does not sit accounts that are not activated.

6. **Review of the Effectiveness of the System of Internal Audit**

- 6.1 A requirement laid down in the Accounts and Audit (England) Regulations 2015 states that 'the relevant body shall, at least once a year, conduct a review of the effectiveness of its internal audit'. An annual self-assessment against CIPFA's Code of Practice for Internal Audit in Local Government has to be carried out each year and an external assessment every 5 years.

- 6.2 A self-assessment has been undertaken against the Public Sector internal audit standard (PSIAS). This demonstrated substantial compliance with the standards. An external Assessment against the PSIAS is due to be undertaken in June 2023. Where actions have been identified these will be reviewed and included in the Quality Action Implementation Plan and progress reviewed.
- 6.3 The key focus of the review of the effectiveness of internal audit is the delivery of the service to the required standard in order to produce a reliable assurance on internal controls and the management of risks in the authority. In coming to a view on the effectiveness of the system of internal audit, the following factors are all indicators that should be taken into accounts.
- Performance of the internal audit provider (in-house and/or contractors) in terms of both quality and cost.
 - Views of external audit & reliance placed on work by internal audit.
 - Role and effectiveness of the Standards and General Purposes Committee.
 - The extent to which internal audit adds value to the organisation and helps delivery of objectives.
- 6.4 During 2022/23, the internal audit service has achieved the following: -
- Delivery of 97% of the audit plan
 - 100% client satisfaction for audit work

7 Fraud Investigations

- 7.1 The Council's Anti-Fraud and Anti-Corruption strategy sets out the Council's approach to detecting, preventing and investigating fraud and corruption This strategy is supported by the Council's whistleblowing policy and Code of Conduct. The Internal Audit section has a key role in implementing this strategy and to ensure that the internal controls in place are robust to prevent fraud occurring or to tighten controls where fraud has occurred.
- 7.2 The Southwest London Fraud Partnership (SWLFP) was established on the 1st April 2015 as a 5-borough shared fraud investigation service between LB Merton, RB Kingston, LB Sutton, LB Richmond and led by LB Wandsworth.

Investigation caseloads

- 7.3 In total 141 cases have been opened in 2022/23 as a result of the referrals received and concerns highlighted through proactive fraud drives and NFI matches during the year. A breakdown of fraud referrals accepted for investigation is shown in the table below:

Table 4 Investigation Caseloads

| 2022/23 | Sanction target | Open cases b/fwd | New Cases in Year | Total Cases | Closed No Sanction | Closed with Sanction | Open Cases c/fwd |
|-----------------|-----------------|------------------|-------------------|-------------|--------------------|----------------------|------------------|
| Tenancy Fraud | 9 | 23 | 10 | 33 | 16 | 1 | 16 |
| Right to Buy | 5 | 0 | 2 | 2 | 1 | 1 | 0 |
| Hsg App rejects | 20 | 0 | 2 | 2 | 2 | 0 | 0 |
| Permit fraud | 0 | 1 | 8 | 9 | 2 | 4 | 3 |
| Employee | 0 | 5 | 6 | 11 | 4 | 4 | 3 |
| CTR/SPD | 0 | 4 | 19 | 23 | 12 | 8 | 3 |
| Other | 0 | 5 | 13 | 18 | 6 | 5 | 7 |
| Total | 34 | 38 | 60 | 98 | 43 | 23 | 32 |

7.4 **Tenancy Fraud-** Clarion Housing Association experienced a criminal cyber-attack in June 2022 with only access to their emails until October. SWLFP have been attending the Clarion Offices on a regular basis since November 2022 to encourage new referrals and progress cases. Referrals have now increased.

There was one property recovered in 2022/23, resulting from a referral received regarding a tenant subletting their property to various families. Investigations linked multiple individuals to the property and the tenant was residing abroad. The tenant failed to attend interview under caution and as a result notices were served. The property was recovered in February 2023 following an eviction. There are 16 cases with on-going investigations.

7.5 **Right to Buy-**Referral received regarding applicant had making a false application by failing to declare previous property ownership and discount. An appointment was arranged with the applicant to complete the SWLFP RTB review form and the tenant advised of the property ownership and withdrew their application.

7.6 **Housing Application rejects-** There were also 81 housing applications that were identified on the NFI data match matches of residents on the housing waiting list that have deceased, these have now been removed from the waiting list. (These are not included in the above figures)

7.7 **Permit fraud (4)** There were 2 prosecutions in 2022/23 as a result of misuse of blue badges, resulting in fines and £829 and £1,128 and two other cases where the badge was recovered and cancelled due to misuse.

7.8 **Corporate Fraud (internal). (4 with sanctions)** There are 11 corporate fraud cases involving employees, 5 cases were c/f from previous year and 6 new cases in 2022/23. Progress on these cases is: -

- 3 resignations (prior to disciplinary hearing)
- 1 disciplinary – dismissed.
- 4 no further action
- 3 investigations in progress

7.9 The corporate frauds related to misuse of position, misuse of council funds, theft and false qualifications. Where frauds are identified, fraud information is shared across the partnership and internal controls weaknesses reviewed.

National Fraud Initiative (NFI)

7.10 All data for the NFI 2022 exercise was provided by the deadline date and uploaded to NFI. Matches have been received and an action plan is being prepared for work on these matches in 2023/24.

7.11 The NFI matches are: - Creditors, Market Traders, Personal Alcohol Licences, Parking, Payroll, Pensions, Personal Budgets, Residential Care, Council Tax & Electoral Registration.

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Audit Assurance Opinions: 2022/23

| AUDIT TITLE | Department | FINAL DATE | ASSURANCE LEVEL | | | | RECOMMENDATIONS | | | |
|-------------|--|------------|-----------------|-------------|---------|----|-----------------|------------------------|------------|---|
| | | | FULL | SUBSTANTIAL | LIMITED | NO | Priority 1 | Priority 2 | Priority 3 | |
| | Final/completed reviews | | | | | | | | | |
| 1 | Protect and Vaccinate Grant | CH | 13/4/22 | | | | | £10K grant | | |
| 2 | Children Placements Commissioning | CSF | 19/5/22 | | | Y | | 5 | 10 | 1 |
| 3 | Supporting Families closing report 2021/22 | CSF | 23/5/22 | | Y | | - | - | - | - |
| 4 | MSJCB | CS | 7/6/22 | | | | | Accounts sign off | | |
| 5 | Rutlish High School | CSF | 13/6/22 | | Y | | - | - | 21 | - |
| 6 | Supporting families quarter 1 review | CSF | 30/6/22 | | | | | Audit sample checks | | |
| 7 | Duplicate payments quarter 1 review | CS | 30/6/22 | | | | | Audit quarterly checks | | |
| 8 | Money Laundering review | CS | 11/7/22 | | Y | | - | - | - | - |
| 9 | Contained Outbreak Grant | CH | 13/7/22 | | | | | £7.239K grant | | |
| 10 | Cash Office | CS | 14/7/22 | | Y | | | | 1 | |
| 11 | Annual Governance review | All | 21/7/22 | | Y | | | | 6 | |
| 12 | General Ledger | CS | 2/8/22 | | Y | | | | 4 | 4 |
| 13 | Universal Drug grant | CH | 2/8/22 | | | | | £186K grant | | |
| 14 | Accounts Payable -Bank Mandates | CS | 7/9/22 | | Y | | | | 6 | |

| | | | | | | | | | | |
|----|---|-----|----------|-----------------------------|---|---|--|---|----|---|
| 15 | Payroll -bank mandate changes | CS | 7/9/22 | | | Y | | 1 | 3 | |
| 16 | Hillcross Primary School | CSF | 23/9/22 | | Y | | | | 15 | - |
| 17 | Mayors Account | CS | 22/11/22 | Audit and sign off accounts | | | | | | |
| 18 | Petty Cash Imprests | CS | 23/11/22 | | Y | | | | 8 | 1 |
| 19 | Supporting families quarter 2 review | CS | 30/9/22 | Audit sample checks | | | | | | |
| 20 | Duplicate payments quarter 2 review | CS | 30/9/22 | Audit quarterly checks | | | | | | |
| 21 | Wimbledon College | CSF | 29/11/22 | | Y | | | | 1 | 3 |
| 22 | Ricards Lodge School | CSF | 30/11/22 | | Y | | | | 23 | |
| 23 | Financial Review – 14+ and Children in Care Teams | CSF | 1/12/22 | | | Y | | 4 | 9 | |
| 24 | Adelante (cash receipting system) | CS | 15/12/22 | | Y | | | | 9 | |
| 25 | Ursuline High School | CSF | 9/12/22 | | Y | | | | 13 | 2 |
| 26 | Public Protection Equipment | CS | 20/12/22 | | Y | | | | 2 | 2 |
| 27 | Supporting families grant quarter 3 | CSF | 31/12/22 | Audit sample checks | | | | | | |
| 28 | Duplicate payment checks quarter 3 | CS | 31/12/22 | Audit quarterly checks | | | | | | |
| 29 | Haslemere Primary School | CSF | 25/1/23 | | | Y | | 1 | 12 | 1 |
| 30 | Overtime | CS | 9/2/23 | | Y | | | | 3 | |
| 31 | IT- Governance policy and strategy | CS | 2/3/23 | | Y | | | | 1 | 2 |
| 32 | Payroll -shared (RBK/LBS/LBM) | CS | 13/3/23 | | Y | | | 1 | 6 | 3 |
| 33 | Cranmer Primary School | CSF | 15/3/23 | | Y | | | | 22 | 4 |
| 34 | Adult Safeguarding | CH | 16/3/23 | | Y | | | | 7 | |
| 35 | Planning Enforcement | ER | 16/3/23 | | | Y | | 4 | 7 | |
| 36 | Business Rates | CS | 19/5/23 | | Y | | | | 4 | |

| | | | | | | | | | | |
|----|---|-----|---------|------------------------|---|---|--|---|----|---|
| 37 | Direct Payments (adults) | C&H | 23/5/23 | | | Y | | 2 | 12 | 1 |
| 38 | Shared Pension Service | CS | 9/5/23 | | Y | | | | | 1 |
| 39 | Supporting families grant quarter 4 | CSF | 31/3/23 | Audit sample checks | | | | | | |
| 40 | Duplicate payment checks quarter 4 | CS | 31/3/23 | Audit quarterly checks | | | | | | |
| 41 | Core Infrastructure and Legacy Application Review | CS | 20/4/23 | | Y | | | | 4 | |
| 42 | Section 17 payments | CSF | 19/5/23 | | Y | | | | 8 | |

| | | | | | | | | | | |
|--|---------------|--|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------|----------------------------|---------------------------|
| | TOTALS | | | 0 (0%) | 23 (79%) | 6 (21%) | 0 (0%) | 18 (7%) | 217 (83%) | 25 (10%) |
|--|---------------|--|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------|----------------------------|---------------------------|

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Committee: Standards and General Purposes

Date: 19 July 2023

Wards:All

Subject: Standards and General Purposes Annual Report

Lead officer: Polly Cziok Executive Director of Innovation and Change

Lead member: Martin Whelton, Chair of the Standards and General Purposes Committee

Forward Plan reference number: N/A

Contact officer: Margaret Culleton, Head of Internal Audit

Email: margaret.culleton@merton.gov.uk

Recommendations:

- A To comment on and approve the content of the Annual Report
 - B To recommend to Council that it note the Annual Report and agree to its for publication and distribution to relevant stakeholders.
 - C To consider whether to appoint an independent person and to co-opt such a person onto the Committee for the purposes of providing advice on the audit functions of the Committee; and
 - D To consider whether to recommend to Council that it agree the amended terms of reference for this Committee in accordance with Appendix C.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report presents a draft Annual Report of the Standards and General Purposes Committee for 2022/23 for consideration. The purpose of this Annual Report is to demonstrate to stakeholders the work undertaken by the Standards and General Purposes Committee over the previous 12 months in promoting good governance and fulfilling its terms of reference.
- 1.2 It also reviews guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and invites the Committee to consider whether to adopt amended terms of reference and to appoint an independent advisory member for the purposes of its audit functions.

2 Details

- 2.1 The Annual Report of the Standards and General Purposes Committee is drafted on behalf of the Committee by the Head of Internal Audit.

- 2.2 It is recommended practice, by CIPFA, for audit committees to review and assess themselves annually or to seek an external review. The results of the assessment should be available in the annual report from the committee.
- 2.3 The external auditor also considers the effectiveness of the audit committee when evaluating the authority's governance arrangements. If they have any significant concerns, they will make recommendations for improvement. Any such recommendations should also be included in the committee's annual report. No recommendations have been made by the external auditor Ernst and Young in their review for 2021/22.
- 2.4 Internal control, governance and risk management arrangements are in place to help ensure the Council makes appropriate use of its resources and powers to make a positive difference to the lives of Merton residents. The Standards and General Purposes committee is a key component of governance. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams and elected representatives and help the Council to achieve the priorities set out in Merton's Corporate Plan.
- 2.5 The Council recognises the benefits of strong internal control, governance and risk management which include: -
- Better decision making as we are more aware of control risks.
 - Better governance and the ability to demonstrate it to our stakeholders.
 - Reduction in failure, error and fraud risks
 - Improvement in our corporate governance
 - Compliance with statutory and regulatory requirements

3 Annual Report

- 3.1 The Annual Report has been compiled with the principal aims of reviewing the Standards and General Purposes Committee's activities during 2022/23 and providing some forward-looking information including the work plan for the next 12 months for the Standards and General Purposes Committee.
- 3.2 It is planned that the Annual Report will be reported to the Full Council and published on the Council's website
- 3.3 Audit committees are a key component of governance, providing independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams, elected representatives, and commissioners, and help provide assurance to all stakeholders that an organisation is well run. The Standards and General Purposes Committee undertakes this function for the Council and receives a number of regular or standing items across each year, as well as specific reports on relevant control, risk or governance issues.
- 3.4 The annual report outlines the reports submitted to the committee during the year 2022/23. This included external audit reports, internal audit updates, fraud

updates, HR reports and regular updates on the Council's treasury management activities. The annual report also sets out proposed reports for 2023/24 as a work plan for the Committee.

- 3.5 The Committee Members changed from June 2022, following local elections. Training on their role for this Committee was provided to Committee Members in July 2022.

Cipfa guidance 2022

- 3.6 CIPFA provided updated guidance for audit committees in 2022. This recommends a number of actions for committees to improve effectiveness. A skills assessment was sent to committee members in March 2023, using the CIPFA recommended questions. This has found that the committee has a good mix of skills and knowledge, where there were new members, some training has been identified, which will be considered during 2023/24.
- 3.7 A review was undertaken comparing Cipfa recommended terms of reference to the Standards and General Purposes terms of reference (in relation to the audit committee element), this found that the councils' terms of reference require review and update, in accordance with Appendix C. Committee is invited to consider whether to recommend these amended terms of reference to full Council.
- 3.8 CIPFA also recommends that audit committees appoint independent advisory members in order to provide external expertise and challenge to the work of the committee. Although the Committee has the benefit of two independent advisory members for the purposes of giving advice and support on standards and conduct issues, to date there has not been an analogous role in respect of its audit functions. If appointed, such advisory members would be non-voting and if the Committee and Council agreed that one should be appointed, an external recruitment exercise would be undertaken to secure a suitably qualified person. CIPFA recommends that the person be appointed for a term that spans the borough elections to provide continuity outside the political cycle,

4 ALTERNATIVE OPTIONS

- 4.1. There are no options to consider as this item is not for decision.

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. None.

6 TIMETABLE

- 6.1. Review of the committee terms of reference and additional training to be considered in 2023/24.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

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

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. There are no direct legal implications arising from the recommendation(s) in this report. If the Committee were to agree revised terms of reference, these would require the approval of full Council.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. There are no implications arising from the recommendation in this report

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. There are no specific crime and disorder implications arising from this report.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. There are no implications arising from the recommendation in this report

12. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix A – Standards and General Purposes Annual Report
Appendix B- Skills Assessment results
Appendix C- Terms of Reference suggested updates

13 BACKGROUND PAPERS

- 13.1. Papers held within the Internal Audit Service.

London Borough of Merton Standards and General Purposes Committee Annual Report: 2022/23

Report drafted by:

Margaret Culleton – Head of Internal Audit

Report issued to:

Standards and General Purposes Committee – 19 July
2023

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| B. Provisional Work Plan: Standards and General Purposes Committee 2023/24 | 9 |
| C. Recommended terms of reference | 11 |
| D. Skills Competency results 2022/23 | 13 |

Introduction

I hope that this Annual Report helps to demonstrate to the residents of the Borough and the Council's other stakeholders the vital role that is carried out by the Standards and General Purposes Committee and the contribution that it makes to the Council's overall governance. As with other Council Committees, all scheduled meetings are open to members of the public and I would encourage residents to get involved and see the Committee in action.

I am pleased to note that the Committee has continued to make progress in discharging its responsibility to provide independent assurance on the Council's control environment and governance framework. As outlined in the body of this report, the Committee has been actively engaged with our Internal and External Audit functions and the results of their work. In addition, the Committee has taken a keen interest in governance developments such as the Council's participation in the South-West London Fraud Partnership.

Finally, I would like to express my gratitude to those officers who have, over the past year, attended the meetings to present and discuss reports and supported the previous Chair.

**Standards and General Purposes
Committee Chair**

Merton's Standards and General Purposes Committee: Frequently asked Questions

What does a Standards and General Purposes Committee do?

The Standards and General Purposes Committee is a key component of the Council's corporate governance. It provides an independent and high-level focus on the risk management framework, internal control environment and the integrity of the financial reporting and annual governance processes that underpin good governance and financial standards. Audit Committees in Local Authorities are necessary to satisfy the wider statutory requirements for sound financial management.

The Council's Standards function is undertaken by this committee, as well as discharging its responsibility as an audit committee.

Why do we need it?

The Standards and General Purposes Committee has a vital role to play in ensuring that residents of the Borough are getting good quality services and value for money. It also oversees the Council's annual financial reporting process comprising the Council's main financial statements and those of the Pension Fund. It ensures that the governance arrangements are robust.

When did the committee meet in 2022/23?

There were three scheduled meetings on: 21 July, 13 October and 28 November, starting at 7.30pm and lasting approximately 2 hours. The agenda items discussed are shown in Appendix A and the recording of the meetings, supporting papers and reports are publicly available on the Council's website, www.merton.gov.uk.

In 2022/23 the Committee membership consisted of twelve councillors in proportion to the Council's political composition, with an opposition Vice Chair, and two ex-officio members that sat on the committee by virtue of their position as Independent Persons under the Standards Regime set out in the Localism Act 2011.

What was its main workload in 2022/23?

A work plan was agreed at the start of the municipal year. For 2022/23 it included regular and ongoing review of the following:

- Member complaints
- Updates to the constitution
- The work of the External Auditor
- Internal Audit Reports and Activities
- The Council's Statement of Accounts
- The South West London Fraud Partnership updates
- Risk Management.

Specific details of the committee's activity during 2022/23 are shown in Appendix A. The planned agenda was supplemented by reports where

the committee requested additional information or assurances from management.

Taking the year as a whole, the Committee was successful in:

- Providing updates on member conduct
- Maintaining a comprehensive overview of internal control and governance
- Maintaining an overview of the Council's anti-fraud arrangements

What is the role of the Internal Audit function?

The South London Audit Partnership (SWLAP) carries out Internal Audit reviews throughout the year on the effectiveness of the Council's governance and internal control arrangements, including risk management. The Head of Internal Audit reports Internal Audit activity regularly to the Committee and also provides an Annual Report on the effectiveness of internal control. The investigation of fraud is provided by the South West London Fraud Partnership (SWLFP), they provide twice yearly updates to the committee.

Who is the Council's External Auditor?

The External Auditor is Ernst and Young. A representative attended all the Committee meetings in 2022/23 and reported progress on the annual cycle of external audit work, including planned activities and the fees for their work.

Does the Standards and General

Purposes Committee meet best practice standards?

The functions of the Standards and General Purposes Committee were aligned to those recommended by the Chartered Institute for Public Finance and Accountancy (CIPFA) in its 2022 publication "Audit Committees – Practical Guidance for Local Authorities".

A review of the committees' terms of reference against CIPFA's was undertaken in March 2023 resulting in a number of additions to be considered (see Appendix C).

A knowledge skills assessment was sent to all members of the committee for completion, 7 completed returns were received. These shows a good balance of knowledge, and the results will be used to identify any training requirements for 2023/24. (see Appendix D)

Training for members

A Member Development programme was agreed for all councillors in January 2022, covering 2022/23. Updates were provided to this committee on attendance and the move to on-line training. Additional training was provided in July 2022, to the members of the Standards and General Purposes Committee on the role of the committee.

Meetings schedules for 2023/24

Details of the meetings planned to take place during 2023/24 are shown in Appendix D with the provisional work plan.

Appendix A

Audit Committee Activity: 2022/23

Meeting: 21 July 2022

External Auditors Annual Report for 2020-21 Annual report for 2020/21

External Audit Planning Report Proposed audit approach and scope for the 2021/22 audit.

Annual Governance Statement. Statement on the annual governance arrangements in place during 2021/22.

Internal Audit Annual Report. Head of Internal Audit's opinion on the Council's internal control environment and the Annual Review of Effectiveness of Internal Audit

Amendments to the Constitution changes to the Constitution to update sections with current working practice and to amend any other sections.

Political Group Use of Council Resources options for the use of Merton letterheaded paper by councillors and establish a cross party working group to consider the options.

Freedom of the Borough To agree the nominations for Freeperson of the Borough Status

Complaints against Member Update on member complaints which have been received and dealt with since the last meeting.

Work Programme

Meeting: 13 October 2022

Appointment of Independent Person approval of the appointment of one Independent Person

Annual Complaints Report complaints received by the Monitoring Officer over the past two years.

Work Programme

Meeting: 28 November 2022

Internal Audit Progress Report on Annual Audit Plan Internal Audit's progress in delivering the Annual Audit Plan up to October 2022.

Fraud Update Report including RIPA authorisations. Fraud Progress report

with indicative plan for the application of resources for 2022/23, a review of activity completed during 2021/22 and 2022/23 to October 2022

Final Accounts revised Statement of Accounts, including the Group Accounts and the Pension Fund Accounts, Audit Results Report, Letter of Representation, delegate authority to the Executive Director of Finance and Digital to sign off the final accounts once completed.

Risk Management. Risk management framework and the associated control environment and Key Strategic Risks and Issues

Annual Gifts and Hospitality Report (members) Declarations of gifts and hospitality including reasons for acceptance and amended Gifts and Hospitality Protocol

Annual Gifts and Hospitality Report (officers) Yearly update on the registration by officers for gifts and hospitality

Hearings Sub-Committee subcommittee to undertake hearings as and when required to consider complaints against members.

Work Programme

Appendix B

Planned Meeting Dates & Provisional Work Plan: 2023/24

| Meeting: 27 April 2023 |
|--|
| External Audit 21/22 Final Audit Results Report for Council and Pension Fund |
| External Audit Plans for Council and Pension Fund Accounts |
| Internal Audit Plan |
| Whistleblowing Policy and Anti-Money Laundering Policy Review |
| Fraud Update Report |
| Process Review - Nominating Honorary Aldermen |
| Freedom of the Borough |
| Remuneration of Councillors |
| Amendments to the Constitution |
| Member Complaints |
| Work programme |

| Meeting: 19 July 2023 |
|--|
| Annual Governance Statement |
| Internal Audit Annual Report |
| External Audit – Fee Letters for the Council and Pension Fund Accounts |
| External Audit of the Council and Pension Fund Accounts |
| Complaints against Members |
| Annual Complaints Report 2021/22 |
| Work Programme |

| Meeting: 14 September 2023 |
|---|
| Internal Audit progress report on annual audit plan |
| Final Accounts |
| Update on RIPA authorisations |
| Work programme |

| Meeting: November 2023 |
|---|
| External Audit Annual Letter |
| Internal Audit progress report on annual audit plan |
| Final Accounts |
| Fraud Update Report |
| Annual Gifts and Hospitality report (members) |
| Annual Gifts and Hospitality report (officers) |
| Risk management |
| Temporary and Contract Staff update |
| Work programme |

| Meeting: March 2024 |
|--|
| External Audit Certification of Claims report |
| External Audit progress report |
| External Audit Plans for Council and Pension Fund accounts |
| Internal Audit Plan |
| Internal Audit progress report |
| Update on RIPA authorisations |
| Temporary and Contract Staff update |
| Work programme |

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Appendix C

Review of Standards and General Purposes Committee terms of reference (in relation to Audit Committee function) compared to CIPFA guidance – recommended terms of reference 2022.

Current terms of reference (covering audit committee role)

| |
|--|
| Financial Governance and Audit Matters |
| <ul style="list-style-type: none"> • To approve the Council’s statement of accounts, and to consider any reports produced by the Chief Finance Officer, in accordance with the duty to make arrangements for the proper administration of the Council’s financial affairs |
| <ul style="list-style-type: none"> • To consider reports and receive recommendations from External Audit. |
| <ul style="list-style-type: none"> • To consider reports and receive recommendations from Internal Audit and the shared fraud partnership. |
| <ul style="list-style-type: none"> • To monitor the effectiveness, development and operation of risk management and governance. |
| <ul style="list-style-type: none"> • To formally agree the Annual Governance Statement and review the improvement plans. |

Recommended Terms of reference

| |
|---|
| Financial Reporting |
| To review and approve the annual statement of accounts. Specifically, to consider 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 Council |
| To consider the external auditor’s report to those charged with governance on issues arising from the audit of the accounts |
| To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA’s Financial Management Code |
| External Audit |
| To consider the external auditor’s annual letter, relevant reports and the report to those charged with governance. This includes considering the Council’s arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements |

| |
|---|
| To consider specific reports as agreed with the external auditor |
| To comment on the scope and depth of external audit work and to ensure it gives value for money |
| To consider options for the appointment of the Council's external auditor and make recommendations to full Council |
| Internal audit |
| To approve the internal audit charter |
| To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources. This includes approving significant interim changes to the risk - audit plan and resource requirements |
| To consider the Head of Internal Audit's annual report: <ul style="list-style-type: none"> The opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the committee in reviewing the Annual Governance Statement. <p>The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that supports the statement - these will indicate the reliability of the conclusions of internal audit</p> |
| To consider summaries of specific internal audit reports as requested |
| To consider reports from the Head of Internal Audit dealing with the management and performance of providers of internal audit services. These will include: <ul style="list-style-type: none"> Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work. Regular reports on the results of the Quality Assurance and Improvement Programme. (QAIP) Reports on the effectiveness of internal audit including instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and whether the non-conformance is significant enough that it must be included in the Annual Governance Statement To contribute to the QAIP including the external assessment undertaken once every five years |
| To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale |
| To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations |
| To monitor the counter-fraud strategy and policies, actions and resources. To review the assessment of fraud risks and their impact and ensure that fraud resources are directed at the areas of highest risk |
| Risk Management |

To monitor the effective development and operation of risk management and corporate governance in the Council. This includes monitoring progress in addressing risk-related issues reported to the committee and ensuring that the Council's framework of assurance adequately addresses the risks and priorities of the Council

Governance

To review the Council's Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control

To review the council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances

Accountability Arrangements

To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose. This includes reporting on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of governance, risk management and internal control frameworks, financial reporting frameworks and internal and external audit functions

To publish an annual report on the work of the committee, including a conclusion on the compliance with the CIPFA Position Statement

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CIPFA Knowledge and Skills Self Assessment



Your response deadline is 04/04/2025. Send reminder to people who have not responded.

[Remind them](#)

7

Responses

12:35

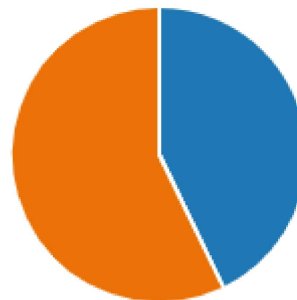
Average time to complete

Active




Status

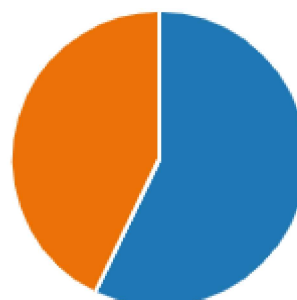
1. I am aware of the CIPFA Audit Committee practical guidance 2022

| | |
|---|---|
|  Yes | 3 |
|  No | 4 |



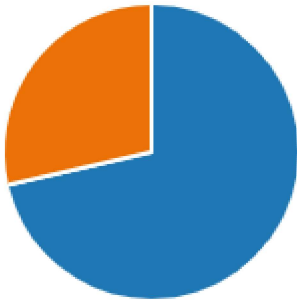
2. I have an overview of the governance structures of the authority and decision making processes.

| | |
|--|---|
|  Full | 4 |
|  Some | 3 |
|  No Knowledge | 0 |



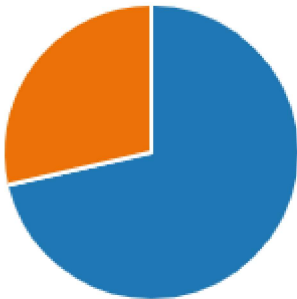
3. I have knowledge of the organisational objectives and major functions of the authority

| | |
|----------------|---|
| ● Full | 5 |
| ● Some | 2 |
| ● No knowledge | 0 |



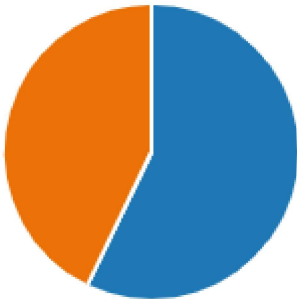
4. I have an understanding of the Standards and General Purposes committee's role and place within the governance structures

| | |
|----------------|---|
| ● Full | 5 |
| ● Some | 2 |
| ● No knowledge | 0 |



5. I have familiarity with the committee's terms of reference and accountability arrangements

| | |
|----------------|---|
| ● Full | 4 |
| ● Some | 3 |
| ● No knowledge | 0 |



6. I have knowledge of the purpose and role of the Standards and General Purposes Committee

| | |
|----------------|---|
| ● Full | 6 |
| ● Some | 1 |
| ● No knowledge | 0 |



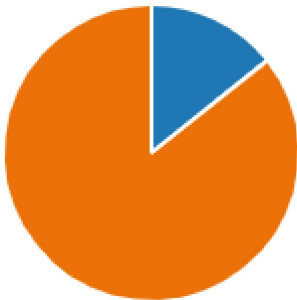
7. I have knowledge of the seven principles of the CIPFA/SOLACE Good Governance Framework and the requirements of the Annual Governance Statement (AGS)

| | |
|----------------|---|
| ● Full | 1 |
| ● Some | 5 |
| ● No knowledge | 1 |



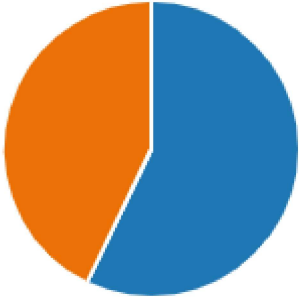
8. I have an awareness of the key principles of the the Public Sector Internal Audit Standards. I have knowledge of the arrangements for the delivery of the internal audit service and how the role of the Head of Internal Audit is fulfilled.

| | |
|----------------|---|
| ● Full | 1 |
| ● Some | 6 |
| ● No knowledge | 0 |



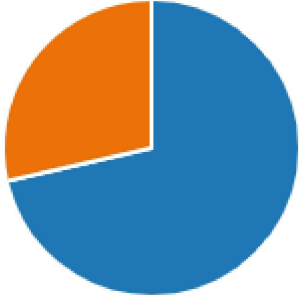
9. I have an awareness of the financial statements that a local authority must produce and the principles it must follow to produce them.

| | |
|----------------|---|
| ● Full | 4 |
| ● Some | 3 |
| ● No knowledge | 0 |



10. I have an understanding of the financial risks the Council face

| | |
|-------|---|
| ● Yes | 5 |
| ● No | 2 |



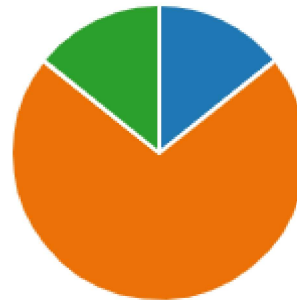
11. I have an understanding of good financial management principles

| | |
|----------------|---|
| ● Full | 4 |
| ● Some | 3 |
| ● No knowledge | 0 |



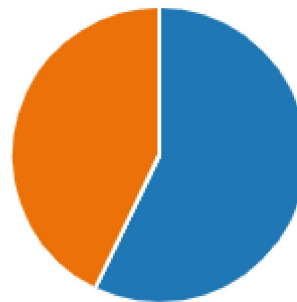
12. I have knowledge of how the organisation meets the requirements of the role of the Chief Financial Officer, as required by the CIPFA statement on the Role of the Chief Financial Officer in Local Government

| | |
|----------------|---|
| ● Full | 1 |
| ● Some | 5 |
| ● No knowledge | 1 |



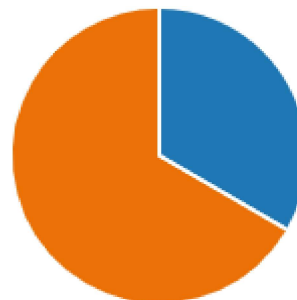
13. I have knowledge of the role and functions of the external auditor and who currently undertakes this role.

| | |
|----------------|---|
| ● Full | 4 |
| ● Some | 3 |
| ● No Knowledge | 0 |



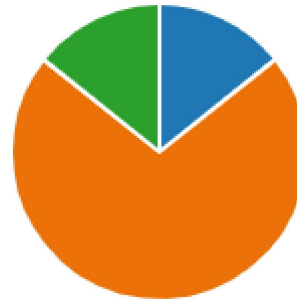
14. I have knowledge of the key reports and assurances that external audit will provide

| | |
|----------------|---|
| ● Full | 2 |
| ● Some | 4 |
| ● No knowledge | 0 |



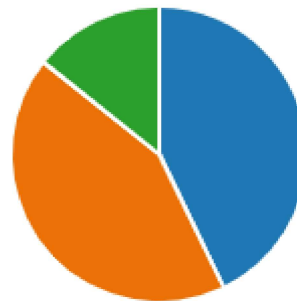
15. I have knowledge about arrangements for the appointment of auditors and quality monitoring undertaken

| | |
|----------------|---|
| ● Full | 1 |
| ● Some | 5 |
| ● No knowledge | 1 |



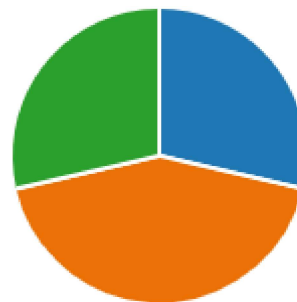
16. I have an understanding of the principles of risk management, including linkages to good governance and decision making

| | |
|----------------|---|
| ● Full | 3 |
| ● Some | 3 |
| ● No knowledge | 1 |



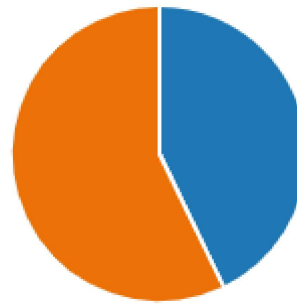
17. I have knowledge of the risk management policy and strategy of the organisation

| | |
|----------------|---|
| ● Full | 2 |
| ● Some | 3 |
| ● No knowledge | 2 |



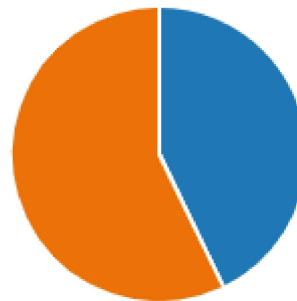
18. I have an understanding of risk governance arrangements, including the role of members of the Standards and General Purposes Committee

| | |
|----------------|---|
| ● Full | 3 |
| ● Some | 4 |
| ● No knowledge | 0 |



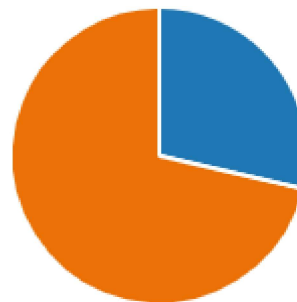
19. I have knowledge of the current risk maturity of the Council and any key areas of improvement

| | |
|-------|---|
| ● Yes | 3 |
| ● No | 4 |



20. I have an understanding of the main areas of fraud and corruption risk the Council is exposed to

| | |
|----------------|---|
| ● Full | 2 |
| ● Some | 5 |
| ● No knowledge | 0 |



21. I have knowledge of the principles of good fraud risk management practice (CIFPA Code of Practice on managing the risk of fraud and Corruption 2014)

| | |
|----------------|---|
| ● Full | 1 |
| ● Some | 5 |
| ● No knowledge | 1 |



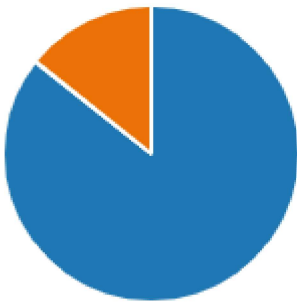
22. I have knowledge of the Councils arrangements for tackling fraud

| | |
|-------|---|
| ● Yes | 6 |
| ● No | 1 |



23. I have knowledge of the Seven Principles of Public Life

| | |
|-------|---|
| ● Yes | 6 |
| ● No | 1 |



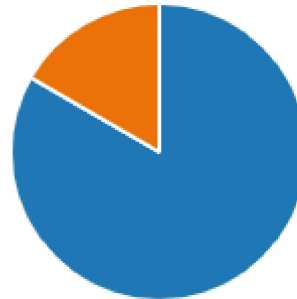
24. I have knowledge of the Councils key arrangements to uphold ethical standards for members (I.e Code of Conduct)

| | |
|----------------|---|
| ● Full | 4 |
| ● Some | 3 |
| ● No knowledge | 0 |



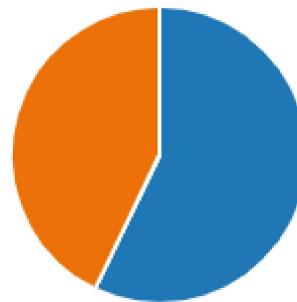
25. I have knowledge of the Whistleblowing arrangements in the Council

● Yes 5
● No 1



26. I understand that effective scrutiny of Treasury Management is important and am familiar with the key knowledge areas which are regulatory requirements, treasury risks, treasury management strategy and policies and procedures in relation to treasury management

● Yes 4
● No 3



27. Do you have any skills/experience in the following areas: accountancy, internal audit, risk management, governance, legal, IT system and security, expert service knowledge relevant to the Council (provide details below)

7
Responses

Latest Responses

"Previous experience as a charity trustee exposed me to risk ..."
"I have some experience as an Auditor in my early working lif..."
"experience in legal, some in IT system, and some risk manag..."

28. How many years experience do you have sitting on an Audit Committee? (can you add details on number of years and whether local authority)

7
Responses

Latest Responses

"Nothing prior to joining Merton Council."
"1 year on London Borough of Merton's committee"
"i have spent over 10 years in an audit committee in the loc..."

29. Would you like additional training to be provided, if so, what should this cover?

7
Responses

Latest Responses

"This is hard to answer as a number of the areas of responsib...

"none"

"yes"

30. Do you have any other comments?

7
Responses

Latest Responses

"N/A"

"Not at this stage"

"none"

Committee: Standards and General Purposes Committee

Date: 19 June 2023

Subject: Remuneration of Councillors

Lead Director: Louise Round, Managing Director, South London Legal Partnership

Lead member: Councillor Billy Christie, Cabinet Member for Finance and Corporate Services

Contact officers: Andrew Robertson, Head of Democracy and Electoral Services and Amy Dumitrescu, Democracy Services Manager

Recommendations:

- A. That the Committee considers the recommendations of the working group set out in this report and decides whether to make the following recommendations to Full Council on 13 September 2023:
- (i) that the basic allowance should be increased to £12,014 in line with the recommendation of the 2022 Independent Remuneration Panel;
 - (ii) to agree to award the Special Responsibility Allowances set out in appendix A;
 - (iii) that Council reaffirms the linking of future allowances to the annual staff pay award, such increases to be applied automatically and that in future the Scheme be approved as part of the annual budget;
 - (iv) that the Licensing Committee chair should also be the chair of the Licensing Sub committee meetings convened for the purpose of determining individual licensing applications
 - (iv) that the new allowances should apply with effect from the date of the Council meeting
- B. To agree to ask the Leader to give further consideration to the scope and role of the Tenants' Champion and the London Living Wage Champion;
- C. That the Committee thanks the working group for its constructive and collaborative approach to this exercise.
-

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The current scheme for paying allowances to members was approved by Council on 24 September 2003 (the Scheme) and it was made under powers conferred by the Local Authorities (Member's Allowances) (England Regulations, 2003 ("The Regulations"). That Scheme has been readopted in subsequent financial years as required by the Regulations.
- 1.2 The Scheme and current rates can be found at Part 6 of Merton's Constitution and provides for a number of Special Responsibility Allowances (SRAs) to be payable to those Councillors appointed by Council to particular positions in addition to the basic allowance paid to all councillors. The Scheme is currently considered and approved annually by Council alongside the Pay Policy Statement.

- 1.3 The existing Scheme for 2022/23 was approved by Council on 1 March 2023 and was based on a scheme agreed in 2008 which has not been significantly reviewed since that time.
- 1.4 London Council's Independent Remuneration Panel published a report on Councillor remuneration in January 2022. That report recommended rates in excess of those currently paid by the Council and at its meeting on 27 April, this Committee agreed to establish a cross party working group to carry out a review of the current scheme in light of the IRP report and to make recommendations to this Committee.
- 1.5 The working group (the Group) comprised Councillors Hayes, Bhim, Kaweesa, Whelton, Oliver, Willis, Paterson and Mercer. It was chaired by Councillor Hayes and met on three occasions, on 8th, 22nd and 28th June. One of the Council's independent persons, Katy Willison, was also present as was the Monitoring Officer and the Democracy Services Manager.
- 1.6 This report sets out the recommendations of the Group and makes it clear where those recommendations are unanimous and where the view of the group was divided. The Committee is invited to consider those recommendations and to decide whether to endorse them for onward submission to full Council on 13 September 2003.

2. DETAILS

BASIC ALLOWANCE

- 2.1 The Group began by considering the rate at which members' basic allowance should be paid. It was logical to do so because the overall structure of the Council's scheme is to award a basic allowance and for the special responsibility allowances (SRAs) to be calculated using a multiplier approach. So, for instance, the Leader receives a basic allowance at the same rate as all other councillors plus a SRA of 4 times that basic rate. The factors to be applied will be depending on the level of responsibility and / or workload of the role in question. The Group agreed that this overall approach should be maintained.
- 2.2 The Group noted that although the current Scheme allows for the allowances to be uplifted automatically annually by reference to the staff pay award, in fact that annual uplift has not been applied since 2008/09. This has meant that the current level of basic allowance is relatively low, at £8694, compared to the London average in 2022 of £10,689. The Group were presented with exemplifications of what the allowance would have been for 23/24 had the annual uplifts been applied – the basic would now be set at £10,057.

- 2.3 The Group noted that the IRP is due to report again in September this year and that there is every indication that it will recommend a further increase in the basic allowance, beyond that made in its January 2022 report which was £12,104. However, in light of the wish to have the matter resolved at Council in September, the Group was content to work on the basis of the 2022 report. One member of the Group expressed some concern about whether, in light of the cost-of-living crisis, now was the right time to increase allowances at the percentage proposed and in a single change, but although the Group acknowledged this valid concern, it did agree to recommend the adoption of the IRP recommendation of £12,014.
- 2.4 The group also agreed to recommend the retention of the automatic uplift in line with the staff pay award as in integral part of the Scheme. There would be no need for a specific vote on this at Full Council each year although the Group noted that it is a requirement of the regulations that the Scheme is readopted before the beginning of each year to which it applies. However, the view of the Group was that this could be done as part of the overall budget, as is common in other councils, rather than as a separate report taken with the Pay Policy as has happened to date.

EXISTING SPECIAL RESPONSIBILITY ALLOWANCES

- 2.5 The group then proceeded to consider the existing special responsibility allowances paid to councillors and to decide whether to recommend that the current multipliers should remain the same. With the exception of the proposals for cabinet members and the Chair of Development and Planning Applications Committee, these were agreed unanimously. The existing multipliers are set out in the table below for ease of reference:

| Special Responsibility Allowances | Formula | Current SRA |
|--|----------------|--------------------|
| Leader | 4 | £34,776 |
| Deputy Leader | 2 | £17,388 |
| Leader of the Opposition | 2 | £17,388 |
| Leader of Minority Group | 0.66 | £5,737 |
| Cabinet Member | 1 | £8,694 |
| Chair, Scrutiny Commission | 1 | £8,694 |
| Chair, Planning Committee | 1 | £8,694 |
| Chair Licensing Committee | 1 | £8,694 |
| Chair, General Purposes Committee | 0.33 | £2,868 |
| Scrutiny Panel Chairs | 0.33 | £2,868 |

The Leader

- 2.6 The Group considered the current multiplier of 4 for the Leader of the Council was appropriate and agree to recommend that it should remain at that level. This would make the Leader's SRA £48,056. They noted that the IRP recommendation for the SRA to be paid to the leader of a council in London is £62,092.

Cabinet Members

- 2.7 In relation to cabinet members whose SRA is set at a multiple of one, the Group were divided. A proposal was moved to increase the multiple to 2 on the basis that the level of responsibility and volume of work required of a cabinet member can be very significant and, in some cases, amounts to a full-time job. If the Council wants to attract talented people from all backgrounds into these roles, it should pay an amount which would allow them either to give up work, or at least reduce their paid work while in that role. Otherwise, there was a risk that only people who were either retired or had independent wealth would be able to take these roles. It was noted that the IRP recommendation ranged from £39,860 to £42,271 whereas this proposal would lead to an SRA of £24,028.
- 2.8 A contrary view was expressed that whilst accepting there was an argument for some increase in the SRA paid to cabinet members, as the Group had already agreed to recommend an enhanced basic allowance, this increase would feed into the SRA calculation so that the rate for a cabinet member would increase from £8694 to £12,014 in any event without the need to increase the multiplier. One member proposed that a multiplier of 2 would only be appropriate if the number of cabinet members was reduced to, say 6 or alternatively that a multiplier of 1.5 should apply if a higher number were to be retained.
- 2.9 As it was not possible to reach agreement, the question was put to the vote and the Group agreed by a majority of 5 to 3 to increase the multiple to 2.

Leaders of Other Political Groups.

- 2.10 There was a full debate about the best approach to the SRAs payable to leaders of other political groups represented on the Council. A distinction was drawn between the terms "leader of the opposition" which refers to the leader of the largest opposition group – the Liberal Democrat Group at present - and "leader of minority group" which refers to leader of all other opposition groups – currently the Conservative Group and the Merton Park Ward Independent residents. The Scheme currently provides that for any opposition group with 7 or more members, the SRA is paid at a factor of 2 and for any group with fewer than 7 members, a multiple of 0.66 is applied.
- 2.11 The Group accepted that it should not necessarily be assumed that the fewer the members in the group the easier the role as in some ways the fewer the members, the heavier the workload for each individual member to allow them

to cover all the areas of the Council in order to provide scrutiny and challenge. However, there was also an acceptance that for very small groups, it would be appropriate to see a reduction in the multiple applied. After some debate it was agreed to recommend a slightly different approach to the one currently in use, as follows:

The leader of the (largest) opposition group continues to receive a multiple of 2, yielding an SRA of £24,028

The leader of the largest minority group will receive a multiple of 1 – an SRA of £12,014

The leader of the next largest minority will receive a multiple of 0.5 - an SRA of £6007

No smaller group (if in future there are any) will received an allowance.

This was unanimously agreed and the Group recognised that if in future there were two groups of the same size attracting a multiple of 0.5, that would have to be accommodated. They also noted that it is always possible for the full Council to review the Scheme at a future date should a situation arise where there are multiple smaller political groups.

Chair of Overview and Scrutiny Commission

- 2.12 Again, there was a difference of view on how best to approach the question of the multiplier for the role of Chair of Overview and Scrutiny Commission. Most members of the group felt it was a role with significant responsibility bearing in mind the function of the Commission as the most senior scrutiny body, responsible, among other things for coordinating the scrutiny response to the formal budget setting process. Others felt that it ought not to be more highly valued than the Chair of this Committee, bearing in mind this Committee's role as the audit committee and in relation to signing off the annual accounts. The Group noted that the Commission chair has responsibilities outside the formal meeting process as the councillor charged with the power to agree to urgent decision making and to waive call in. The Group's attention was drawn to the IRP report which does distinguish between the role of the lead scrutiny committee chair and other regulatory committees, placing the former in band 3 (which they recommend be paid at a higher rate) and the latter in band 2. After some debate the proposal to leave the SRA at the current multiplier of 1 was put to the vote and agreed by a majority of 5 to 2. If that recommendation is agreed, it would mean an SRA of £12,014.

Chair of Development and Planning Applications Committee

- 2.13 The Group debated a proposal that the multiplier for the role of Chair of the Development and Planning Application Committee should remain at 1. Some members of the group felt that the workload of the Chair was considerable, and equivalent to that of a cabinet member. They remarked on recent innovations such as the welcome introduction of a technical briefing which

added to that workload as did the merger at the last annual council meeting of the Planning Applications Committee with the Borough Planning Advisory Committee, which in itself received an SRA of 0.33% Other members, while acknowledging the very through manner in which the current chair approaches the role, stressed that this exercise was about the role, rather than the individual. The proposal that the multiplier remain at 1 was put to the vote and was agreed by a 5 to 3 majority. The Chair would therefore be entitled to an SRA of £12,014.

Chair of Standards and General Purposes Committee and Scrutiny Panel Chairs

- 2.14 After a short debate, the Group unanimously agreed that the multiplier for the chair of this committee and the three overview and scrutiny panel chairs should remain at 0.33, which would lead to an SRA of £3964.62.

Licensing Committee Chair

- 2.15 The debate in relation to this role centred around the fact that the main Licensing Committee has reserved relatively few functions to itself and all decisions on individual licence applications are taken by the sub committees. The chairs of those sub committees are elected on the day of the meeting and receive a one-off payment of £256 for each meeting they chair. On that basis, the full Licensing Committee only meets two or three times a year and the Group did not consider that warranted the current multiplier. Therefore, they unanimously recommended that the Licensing Chair role also takes responsibility for chairing the sub committee meetings and on that basis, it should retain the multiplier of 1. No payment should be made to any other subcommittee chair who might in future step in in the absence of the Licensing Committee chair.

NEW ROLES TO RECEIVE AN SRA

- 2.16 The Group unanimously agreed that the Mayor should receive an allowance although that role does not currently attract an SRA. They recognised that as well as chairing full Council meetings, the Mayor is of significant symbolic importance for the Council and the community as a whole and carries an enormous workload. One member of the Group remarked that he had never known a Mayor in Merton who did not carry out that role diligently and conscientiously. They recommend that the Mayor should now receive an allowance with a multiplier of one and would therefore be entitled to an SRA of £12,014.
- 2.17 A proposal was put to the Group that four roles which do not currently receive an SRA should do so on the following basis:

| | | |
|---------------------------------|------|--|
| Administration Whip | 0.5 | |
| Deputy Leader of the Opposition | 0.5 | |
| Opposition Whip | 0.33 | |
| Minority Group Whip | 0.25 | |

The rationale for these proposals was a recognition of the importance and level of work undertaken to allow groups to provide an appropriate level of scrutiny and challenge across the Council, including, but not solely, to ensure that full council meetings run effectively. This applied across the political groups and the proposer pointed out that only one of the proposed new roles outlined above would fall to the Administration.

- 2.18 Other members of the Group recognised that the proposal would benefit opposition groups and thanked the administration Whip for this even handedness. However, they were opposed in principle to any more SRAs being created, save for the Mayor, and so the matter was put straight to the vote and the creation of the new posts was passed by a majority of 4 to 3.

Tenants' Champion and London Living Wage Champion

- 2.19 The Group discussed these relatively recently created roles and noted that there may be a lack of clarity about their precise nature and the level of responsibility and work rate expected of them. The Group recommended that Committee ask the Leader (who appoints them) to give some thought to creating a more defined role description for them.

Conclusion

- 2.20 The outcome of the deliberations and, where applicable, the votes, described above is summarised in appendix A. The Group noted that although reference is made in the current scheme to SRAs applicable to assistant cabinet members and adoption and fostering panel members, no such roles exist. They therefore recommend that the references to them be removed from the Scheme.

3. ALTERNATIVE OPTIONS

- 3.1 The Committee could agree to recommend that the Council not change its Member Allowances scheme, although in doing so it may wish to note the information previously before it which shows that the outcome of not having increased the allowances for some time means that they are becoming increasingly out of step with the IRP recommendations, the London average and some neighbouring boroughs. The Group discussed the importance of attracting a diverse range of people to stand for election and the role of allowances in achieving this, while acknowledging that there are many motivations for standing for public office, and financial reward is rarely one of them.

- 3.2 The Committee could also choose to accept some, but not all, of the recommendations of the Group and to substitute some or all with their own proposals, although it would be important to be clear about the rationale for this.

4. CONSULTATION UNDERTAKEN OR PROPOSED

There is no statutory requirement to consult externally on any proposed changes to the Scheme. As noted above, the Group was assisted in its deliberations by one of the Council's Independent Persons who gave them the benefit of her views, while being clear that the decision rests, in law, with the Council and its members, invidious as that may be. The Group also took into account, as the Council is obliged to do, the recommendations of the IRP.

5. TIMETABLE

The Group agreed unanimously to recommend that any new allowances be paid to councillors with effect from the date of the full Council meeting when they are agreed, which is expected to be 13th September 2023. In accordance with the recommended retention of the link to the staff pay award, they would then increase again automatically with effect from year 1 April 2024 once the outcome of the staff pay negotiations are known.

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1 If adopted, the recommendations in this report will lead to an increase in the total cost of basic allowances from the current £495,558 to £684,798, an increase of £189,240.
- 6.2 The total cost of SRAs would increase from £199,783 to £386,252, an increase of £186,469.
- 6.3 The total overall cost of the proposed allowances rises from £695,341 to £1,071,050, an increase of £375,709. Provision was made for an increase in Members allowances within contingency budgets as part of the MTFS approved by Council in March 2023. The annual inflation increase will be reflected in the Council's annual provision for inflation increases for pay.
- 6.3 As the proposal is that the new scheme will not come into effect until 13 September this year, the above annual increases will be pro rata'd for this financial year at an estimated cost of £199,000.

7. LEGAL AND STATUTORY IMPLICATIONS

- 7.1 The Local Authorities (Members' Allowance) (England) Regulations 2003 (the Regulations) require a relevant authority to make a scheme providing for the payment of a basic allowance to each member of that authority.

- 7.2 Regulation 10 of the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations") requires re-adoption of the scheme on an annual basis. Before making or amending its allowances scheme, the Council is required, by Regulation 19, to have regard to the recommendations of an Independent Remuneration Panel. Those obligations have been complied with as both this Committee and the Group have considered those recommendations.
- 7.3 The Regulations do allow any increase in allowances to be backdated to the beginning of the financial year in which they are agreed; however, the Group unanimously agreed not to recommend that backdating be implemented.

8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

The proposals set out above would not appear to have a disproportionate negative effect on any group with protected characteristics; the Group expressed the hope that the increases they are proposing will have a positive impact on the willingness of people from a diverse range of backgrounds to stand for election in Merton, thereby increasing the representativeness of the councillor cohort.

9 CRIME AND DISORDER IMPLICATIONS

None

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

None

11. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix A – [Proposed new rates](#) of basic and special responsibility allowances proposed by the Group.

12. BACKGROUND PAPERS

Working Group papers

London Council's Report Of Independent Remuneration [Panel](#)

London Benchmarking data on Members [Allowances](#)

Current [Members Allowances Scheme](#) and [Schedule of Rates](#)

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| | |
|--|---------|
| Current Merton Basic Cllr Allowance | £8,684 |
| Working Group Recommended Cllr Allowance | £12,014 |

| Existing Special Responsibility Allowances | Formula | Existing SRA | Existing SRA Plus Current Basic | Proposed SRA | Proposed SRA Plus Proposed Basic with existing multipliers | Proposed Increase to Role SRA per Annum |
|--|---------|--------------|---------------------------------|--------------|--|---|
| Leader | 4 | £34,776 | £43,460 | £48,056 | £60,070 | £13,280 |
| Deputy Leader | 2 | £17,388 | £26,072 | £24,028 | £36,042 | £6,640 |
| Leader of the Opposition (7+ members) | 2 | £17,388 | £26,072 | £24,028 | £36,042 | £6,640 |
| Leader Minority Group | 0.66 | £5,737 | £14,421 | £7,929 | £19,943 | £2,192 |
| Cabinet Member (with increased multiplier from 1 to 2) | 2 | £8,694 | £17,378 | £24,028 | £36,042 | £15,334 |
| Chair, Scrutiny Commission | 1 | £8,694 | £17,378 | £12,014 | £24,028 | £3,320 |
| Chair, Planning Committee | 1 | £8,694 | £17,378 | £12,014 | £24,028 | £3,320 |
| Chair Licensing Committee* | 1 | £8,694 | £17,378 | £12,014 | £24,028 | £3,320 |
| Chair, General Purposes Committee | 0.33 | £2,868 | £11,552 | £3,965 | £15,979 | £1,097 |
| Scrutiny Panel Chairs | 0.33 | £2,868 | £11,552 | £3,965 | £15,979 | £1,097 |
| Mayor | 1 | N/A | N/A | £12,014 | £24,028 | £12,014 |
| Administration Whip | 0.5 | N/A | N/A | £6,007 | £18,021 | £6,007 |
| Deputy Leader of the Opposition | 0.5 | N/A | N/A | £6,007 | £18,021 | £6,007 |
| Opposition Whip | 0.33 | N/A | N/A | £3,965 | £15,979 | £3,965 |
| Minority Group Whip | 0.25 | N/A | N/A | £3,004 | £15,018 | £3,004 |

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| Existing/Proposed Total Costs of Special Responsibility Allowances | Number of Cllrs Receiving SRA | Current SRA | Current Total Cost of SRAs | Proposed Formula | Proposed Number of Cllrs to Receive SRA | Proposed SRA | Proposed Total Cost of SRAs | Proposed Total Payment per annum (SRA + Basic) |
|--|-------------------------------|-------------|----------------------------|------------------|---|--------------|-----------------------------|--|
| Leader | 1 | £34,776 | £34,776 | 4 | 1 | £48,056 | £48,056 | £60,070 |
| Deputy Leader | 1 | £17,388 | £17,388 | 2 | 1 | £24,028 | £24,028 | £36,042 |
| Leader of the Opposition | 2 | £17,388 | £34,776 | 2 | 1 | £24,028 | £24,028 | £36,042 |
| Leader of largest Minority Group | 1 | £5,737 | £5,737 | 1 | 1 | £12,014 | £12,014 | £24,028 |
| Leader of next largest Minority Group | 0 | N/A | N/A | 0.66 | *0 | £6,007 | £0 | NA |
| Cabinet Member (move to multiple of 2) | 8 | £8,694 | £69,552 | 2 | 8 | £24,028 | £192,224 | £36,042 |
| Chair, Scrutiny Commission | 1 | £8,694 | £8,694 | 1 | 1 | £12,014 | £12,014 | £24,028 |
| Chair, Planning Committee | 1 | £8,694 | £8,694 | 1 | 1 | £12,014 | £12,014 | £24,028 |
| Chair Licensing Committee | 1 | £8,694 | £8,694 | 1 | 1 | £12,014 | £12,014 | £24,028 |
| Chair, General Purposes Committee | 1 | £2,868 | £2,868 | 0.33 | 1 | £3,965 | £3,965 | £15,979 |
| Scrutiny Panel Chairs | 3 | £2,868 | £8,604 | 0.33 | 3 | £3,965 | £11,894 | £15,979 |
| Mayor | 0 | N/A | N/A | 1 | 1 | £12,014 | £12,014 | £24,028 |
| Administration Whip | 0 | N/A | N/A | 0.5 | 1 | £6,007 | £6,007 | £18,021 |
| Deputy Leader of the Opposition | 0 | N/A | N/A | 0.5 | 1 | £6,007 | £6,007 | £18,021 |
| Opposition Whip | 0 | N/A | N/A | 0.33 | 1 | £3,965 | £3,965 | £15,979 |
| Minority Group Whip | 0 | N/A | N/A | 0.25 | 2 | £3,004 | £6,008 | £15,018 |
| Total | | | £199,783 | | | | £386,252 | |

* not payable while postholder also Chair of O&S

| | | Total Cost/Projected Total Cost of Basic Allowance | Total Cost/Projected Total Costs of SRAs | Total Cost/Projected Total Costs of Basic Plus SRAs |
|--|---------|--|--|---|
| Total Costs of Basic + Special Responsibility Allowances | | | | |
| Existing Merton Basic Cllr Allowance | £8694 | £495,558 | £199,783 | £695,341 |
| Working Group Recommended Cllr Allowance | £12,014 | £684,798 | £386,252 | £1,071,050 |

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Committee: Standards and General Purposes Committee

Date: 19 July 2023

Subject: Freedom of the Borough – Report of the working group

Lead officer: Louise Round, Monitoring Officer, louise.round@merton.gov.uk

Lead member: Councillor Martin Whelton, Chair, Standards and General Purposes Committee

Contact officer: Amy Dumitrescu, Democracy Services Manager, amy.dumitrescu@merton.gov.uk

Recommendations:

- A. That the Standards and General Purposes Committee recommends to Council that the award of Freedom of the Borough be made to Ivor Heller for his work for AFC Wimbledon and his continuing work within the community
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. At its meeting on 27 April 2023, the Standards and General Purposes Committee established a small working group to consider nominations for the award of the freedom of the borough and report back.
- 1.2. The working group comprised of Councillors Edith Macauley, Caroline Cooper-Marbiah, Agatha Akyigyina, Victoria Wilson, Edward Foley and Michael Paterson.
- 1.3. This report sets out the findings and recommendations of the working group.

2 DETAILS

- 2.1. The working group met once on 21 June 2023 to consider the nomination of Mr Ivor Heller submitted by numerous parties (Appendix A – restricted). No other nominations were received.
- 2.2. Members noted that the Freedom of the Borough is an important honour that requires careful thought prior to bestowal. Members also noted the criteria and process for awarding Freedom of the Borough, in particular that it should only be awarded in exceptional circumstances where the prospective recipient is an individual or organisation of distinction or has rendered eminent services to the borough.
- 2.3. Members agreed that the nomination for Mr Heller met the criteria and demonstrated that he made a substantial contribution to the Borough. The nomination is supported by all Groups on the Council and therefore would meet the 2/3 requirement at Council.
- 2.4. The working group therefore recommended that the nomination should be agreed by the Standards and General Purposes Committee to recommend to Council as soon as possible.
- 2.5. Next Steps:
- 2.6. If the Committee accepts the recommendation of the working group in respect of the freedom of the borough nomination of Mr Ivor Heller the next steps are:

a) To arrange a special meeting under section 249 of the Local Government Act 1972. The Chief Executive has the power to call a meeting for this purpose under Council Procedure Rule 3.1(d);

b) That special meeting could either precede the ordinary meeting already scheduled for 13 September or be fixed on a separate day

c) If Council accepts the nomination, it would pass the resolution to bestow the Freedom of the Borough on Mr Ivor Heller. Such a resolution would require the agreement of two thirds of the members of the council present and voting at the meeting

Council would then award the Freedom of the Borough to Mr Heller.

3 ALTERNATIVE OPTIONS

3.1. The Committee may reject the recommendations of the working group or may choose different actions to implement the recommendations.

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. Members of the working group have discussed their recommendations with the political groups.

5 TIMETABLE

5.1. To be determined by the Standards and General Purposes Committee and Council.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. Any expenditure associated with conferring the Honorary Freedom of the Borough and the presentation of a framed certification of commendation will be from existing budgets

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. Section 249 (paragraphs 5 and 6) of the Local Government Act 1972 provides that the Council of a London Borough may admit a person of distinction or someone who has , in the opinion of the council, rendered eminent services to the borough to be an honorary freeman of the borough.

7.2. As stated above, a resolution to confer such status requires a two thirds majority of members present and voting at a special meeting. Having conferred such status, the Council may spend such reasonable sum as it thinks fit for the presenting an address or a casket containing an address to a person

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None

9 CRIME AND DISORDER IMPLICATIONS

9.1. None

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix A Nomination Forms (Restricted)

12 BACKGROUND PAPERS

12.1. None

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Committee: Standards and General Purposes Committee

Date: 19 July 2023

Subject: Recommendations from the Working Group – Freedom of the Borough & Honorary Alderpersons Status

Lead Officer: Louise Round, Managing Director, South London Legal Partnership

Lead member: Councillor Martin Whelton, Chair, Standards and General Purposes Committee

Contact officer: Amy Dumitrescu, Democracy Services Manager

Recommendations:

A. That the Standards and General Purposes Committee consider the report of the working group and agree whether to implement any or all of their recommendations, namely:

i) to continue the existing process of establishing a working group of this committee to consider nominations for freedom of the borough status, save in respect of ex Leaders of the Council being considered for such status in accordance with recommendation (vi) below;

ii) to publicise the process and criteria for awarding freedom of the borough status more widely;

iii) to reduce the length of time for which a retiring member has served as a councillor prior to becoming eligible for honorary alderperson status from 15 to 10 cumulative years;

iv) to establish a working group of this committee to consider nominations for honorary alderperson status following local elections and as necessary and to ask that working group to take into account any findings made by a hearings subcommittee in respect of an individual councillor in making any recommendations relating to that person;

v) to allow honorary alderperson status to be awarded to councillors who have provided exceptional service even where they do not have 10 cumulative years' service prior to retiring, such nominations to be considered by the working group referred to at (iv) above committee;

vi) to agree that in future retiring councillors who have at some time served a minimum of four years as Leader of the Council should be awarded freedom of the borough status, subject always to the agreement of two thirds of councillors present at a special meeting of full Council convened for that purpose.

- B. That the Standards and General Purposes Committee consider whether to recommend to Council the nomination of former Councillor Janice Howard for Honorary Alderwoman status as detailed in paragraph 2.16 below
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. The Standards and General Purposes Committee at its meeting on 27 April 2023 agreed to set up a working group of councillors to consider whether the process for nominating and awarding Honorary Alderperson status should be amended, as well as looking at the process for nominating persons for Freedom of the Borough status and whether this status should be automatically awarded to those who had been Leader of the Council.

2 DETAILS

2.1. The working group met on 21 June 2023. The working group consisted of Councillors Akyigyina, Cooper-Marbiah, Macauley, Foley, and Wilson. Councillor Paterson also communicated his agreement on the recommendations following the meeting having been unable to attend the meeting of the working group.

2.2. The recommendations of this working group are detailed below. The Standards and General Purposes Committee are asked to consider these and agree whether to implement any or all of the recommendations.

2.3. Recommendation 1 – Freedom of the Borough Publicity

2.4. The working group expressed concern that there were a number of deserving persons within the Borough who they were aware of, who perhaps also should have been put forward for the honour of Freedom of the Borough. The working group felt that whilst the criteria for Freedom of the Borough still needed to be made clear and each nomination received should be assessed and discussed by the Committee or a working group thereof, that the ability for persons to be nominated for this honour should be more well publicised.

2.5. Recommendation 2 – Honorary Alderperson Criteria & Award

2.6. The working group looked at the current process for receiving Honorary Alderperson status. The current working practice in Merton is to automatically award the status to all Councillors who have at least 15 years cumulative service when they leave the Council (either by not standing for re-election or by losing their seat).

2.7. The working group received evidence of how other Boroughs award this status. It was noted that the neighbouring Boroughs of Kingston and Wandsworth both awarded Honorary Alderperson status to Councillors with at least 10 years cumulative service. Kingston also automatically provided Honorary Alderperson status to any Councillor who had been Mayor. Richmond does not award Honorary Alderperson status to any councillors, but presents all Councillors regardless of service with a certificate when they have left the Council, as well as presenting them with a plaque or planting a tree in recognition of their service.

2.8. The working group agreed that their view was the current working practice of 15 years cumulative service was too lengthy and should be reduced in line with neighbouring Boroughs to 10 years or more cumulative service. The working group also supported the proposal of planting a tree in their ward for those eligible for that status as well as in memory of any Councillor who died during service. This would be alongside the current system of providing framed certificates to Councillors at a

Special Council meeting and their name being written on the appropriate honours board within the Council Chamber.

2.9. Recommendation 3 – Automatic Award of the Status to Mayors

2.10. The Working group agreed to recommend that any Councillor who had served as Mayor during their time in office, regardless of any other length of service, would be eligible for Honorary Alderperson status.

2.11. Recommendation 4 – Honorary Alderperson Status

2.12. Within the report (Appendix A) considered by the Standards and General Purposes Committee meeting on 27 April 2023, 4 options were proposed to the working group to consider. The working group felt that there should be provision to nominate those who had not reached the required threshold for the status in terms of service if there were exceptional reasons for nominating them. Their decision was therefore to propose an amended version of option 4 as follows:

2.13. “That any Councillor (including those with less than 10 cumulative years’ service) who is resigning/loses their seat at an election can be nominated or Honorary Alderman/woman status, provided there is a case made for this and this is agreed by either the Standards and General Purposes Committee or a working group thereof.”

2.14. The working group agreed that in considering the above, information about any complaints against those Councillors which had been upheld and through the hearings process (and therefore would be serious in nature) should be considered as part of the decision of the Committee or working group whether to award the status to those Councillors.

2.15. Recommendation 5 – To award Honorary Alderwoman Status to Janice Howard

2.16. During the course of discussions, the working group cited Janice Howard as an exceptional individual, who having lost her seat in May 2022 had not served the required 15 years cumulative service to qualify for Honorary Alderwoman Status.

2.17. The working group recognised her exceptional fund raising achievements , noting that she had raised almost £100,000 for her mayoral charities and continued to be regularly involved with Mayoral Events committees during 2022-23. The working group therefore recommended that Janice Howard should be nominated to receive Honorary Alderwoman status. If the Standards and General Purposes Committee agreed this recommendation to award honorary alderperson status to Janice Howard, a special Council meeting would need to be convened for this purpose, likely in Autumn 2023.

2.18. Recommendation 6 – Freedom of the Borough for Leaders of the Council

2.19. The working group considered whether Councillors who had served as Leader of the Council should be automatically granted Freedom of the Borough status when they left the Council. The working group felt that this should be the case, however Leaders should have served a minimum amount of time as Leader to qualify for this. The working group recommended therefore that all Councillors who had served as Leader of the Council for at least a full term, that being 4 years, would automatically be awarded Freedom of the Borough.

2.20. Recommendation 7 – Retrospective awards of Freedom of the Borough to Former Leaders of the Council

2.21. If Recommendation 6 is approved by the Standards and General Purposes Committee, the working group did not wish to retrospectively apply this to former leaders. Therefore, if approved, only those leaving the Council from 2023 onwards and eligible under the proposed criteria would be awarded freedom of the borough.

3 ALTERNATIVE OPTIONS

3.1. The Committee could decide not to adopt the recommendations by the working group or to amend them

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. All political groups within the Council were represented on the working group

5 TIMETABLE

5.1. Any of the recommendations approved by the Standards and General Purposes Committee would take immediate effect.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. The cost of signwriting and providing certificates to those awarded Freedom of the Borough of Honorary Alderperson status, as well as the costs associated with the Special Council meetings can be met within existing budgets.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. The Council has the power to nominate persons and honorary alderperson status pursuant to section 249(1) of the Local Government Act 1972 if it is satisfied that they have rendered eminent service to the council as past members and who are no longer members. S.249(5) allows freedom of the borough status to be conferred on persons of distinction or persons who have provided eminent service to the place or area. Both require a special meeting and a two thirds majority of those present to vote in favour. Therefore although it is permissible for there to be a presumption that ex Leaders of the Council to be awarded freeperson status, the Council cannot fetter its discretion and will retain the right to decide on a case by case basis.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purposes of this report

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purposes of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purposes of this report

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix A – Report considered by the working group as agreed by the Standards and General Purposes Committee on 27 April 2023

12 BACKGROUND PAPERS

12.1. None

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Committee: Standards and General Purposes Committee

Date: 27 April 2023

Subject: Procedure for awarding Honorary Alderperson Status

Lead officer: Louise Round, Monitoring Officer

Lead member: Councillor Michael Brunt, Chair, Standards and General Purposes Committee

Contact officer: Amy Dumitrescu, Democracy Services Manager

Recommendations:

A. That members consider the options for the procedure for awarding Honorary Alderperson status set out in paragraph 3 below and either:

- 1) Agree which option should be adopted in future; or
- 2) Agree to establish a cross party working group to consider the options and to report back to this committee at its next meeting.

B) To consider as detailed in Paragraph 2.12 whether former Leaders should be automatically awarded Freedom of the Borough in addition to Honorary Alderperson status (if also entitled to this) and if so, whether this should apply retrospectively to those former Leaders who have not already been awarded that status.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. At a Committee training session on 13 October 2022, members of the Standards and General Purposes Committee requested that a report be brought to Committee for discussion on reviewing the procedure for awarding Honorary Alderman/woman status to retiring Councillors.

2 DETAILS

2.1. Section 249 of the Local Government Act 1972 allows Council to, by a resolution passed by no less than two-thirds of the members voting, confer the title of Honorary Alderman or Alderwoman status on persons who have, in the opinion of the Council, rendered eminent services to the Council as past members of that Council but who are not then members of the Council.

2.2. The Act requires that this vote be taken at a special Meeting of Council convened for that purpose.

2.3. Current working practice at Merton is that all Councillors who either retire or lose their seat at any election who have accumulated at least 15 years cumulative service for the Council are automatically awarded Honorary Alderman/woman status. Those awarded are provided with a certificate and will have their names sign-written onto the boards within the Council Chamber.

2.4. An honorary alderman or alderwoman may attend and take part in such civic ceremonies as the Council may from time to time decide, but shall not, as such have the right to attend meetings of the Council or a committee of the

Council (including joint committees) or to receive any such allowance or other payments.

- 2.5. This process is separate from the process for awarding Honorary Freeman or Freewoman status.
- 2.6. Merton have awarded Honorary Alderman/woman status to 22 councillors over the last decade as follows:
 - 5 September 2022 – 12 former councillors
 - 12 July 2018 – 5 former Councillors
 - 23 November 2016 – 1 former councillor
 - 4 June 2014 – 4 former councillors
- 2.7. There are 10 currently serving councillors who could be eligible for Honorary Alderman/woman status at the next election in 2026 if the current process continued.
- 2.8. Whilst there is no legal definition of “eminent services to the Council”, Merton have adopted the working practice of awarding those with at least 15 years cumulative service. A number of other Councils have also adopted this approach.
- 2.9. No formal nomination process is required to receive this status. Following an election the Democracy Services Manager collates the names of those eligible and a Special Council meeting is arranged post-election to vote on and award the status to those individuals.
- 2.10. The status cannot be awarded to serving councillors, however those awarded with the status can be re-elected at a future election to the Council, at which point they would cease to use the Alderman/woman title whilst serving as a Councillor.
- 2.11. Freedom of the Borough for Former Leaders
- 2.12. It is noted that a number of former Leaders of the Council, most recently former Leaders Mark Allison and David Williams MBE JP have been awarded Freedom of the Borough when they were no longer on the Council. It could be proposed as part of the process that former leaders are automatically nominated for Freedom of the Borough, without the need for their nomination to go through the normal process, options for which are set out below. This does not prevent them also receiving Honorary Alderman/woman status. The Committee is asked to consider whether this should be included within the protocol and whether specific criteria should be attached to this. As stated in the legal comments below, although it would be possible to automatically refer an ex leader to a council meeting for a vote, the council cannot set a policy which would fetter the discretion of any future council meeting when asked to vote on a nomination.

3 OPTIONS

- 3.1. Officers have suggested a number of potential options below for the appointment of honorary Alderman or women. The Committee can decide to proceed with one of the following options, or can discuss and agree an alternative.

Option 1:

To retain the current procedure with no changes.

Option 2:

To require all those Councillors eligible under the current process (that is those with at least 15 years service as at the date when they cease to be a councillor) to undergo a nomination/agreement process whereby a working group or the Standards and General Purposes Committee consider the list of those eligible and agree whether they should be awarded the status. Information from any historical upheld complaints received against Councillors would be considered as part of this process.

Option 3:

To require all those Councillors eligible under the current process to undergo a nomination agreement process within their groups, including considering information received from the group whips and any information on complaints received against Councillors during their service. The group whips or group leaders would then put the nominations forward for consideration either by the Standards and general purposes Committee or direct to full Council.

Option 4:

That any Councillor (including those with less than 15 cumulative years' service) who is retiring/who loses their seat at an election can be nominated for Honorary Alderman/woman status, provided there is a case made for this and that this is agreed by either the Standards and General Purposes Committee or a working group thereof. It is suggested that the Committee agree what the criteria should be under this option.

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1.

5 TIMETABLE

5.1. The new process once agreed by Standards and General Purposes Committee would be considered by Council in July 2023 and then implemented immediately.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. The only criteria for conferring either alderperson status or freedom of the borough are those set out in section 249 of the Local Government Act 1972 namely that the conferee is not a serving councillor and that they are either a person of distinction or someone who has "rendered eminent services" to the place or area. Therefore, it is a matter for the council to set the criteria by which someone is judged to fall into that description, provided those criteria are in themselves reasonable and fairly applied.

7.2. Although it would be possible to dispense with a formal sifting process for ex leaders of the council who are no longer serving councillors and to create a

presumption that they will have the freedom of the borough conferred upon them, it would not be lawful to set a policy that bound full council to agree such status. As stated above a resolution to grant such status must be agreed by two thirds of councillors present and voting at a specially convened meeting and they must be free to exercise their discretion at such a meeting.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purposes of this report

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purposes of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purposes of this report

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- None

12 BACKGROUND PAPERS

12.1. None

Committee: Standards and General Purposes Committee

Date: 19 July 2023

Wards: All

Subject: Member Complaints

Lead Director: Polly Cziok, Executive Director for Innovation and Change

Lead member: Councillor Billy Christie, Cabinet Member for Finance and Corporate Services

Contact officer: Ruth Hammick, Head of Complaints

Recommendations:

- A. To note the new processes for managing and learning from complaints;
- B. To note the reports on complaints received in 21/22 attached as appendices A to C
- C. To note the high level detail of complaints received in 22/23 set out in the body of the report and to agree to receive a more detailed report for 22/23 at the meeting in November.

1.1. This Committee has traditionally received reports on complaints made to the Council. Those reports include detail of complaints made through its general complaints procedure as well as those dealt with under the statutory provisions governing complaints about adult social services and children's social care. Detailed reports relating to all three for the year 21/22 are attached as appendices A-C.

1.2. It has not yet been possible to collate all the information relating to 22/23 in such a detailed form as appears in appendices A-C but an overview of the latest figures are set out below. The figures are accurate at the time of writing but may fluctuate in the final, full report. It will be noted that they relate to the old directorate structures. Work is being undertaken to realign the systems to the new structures and the complaints report for 23/24 will reflect those new structures.

1.3. A full complaints report covering all complaint channels, to include corporate complaints and the two statutory channels for 22/23 will be provided for the November committee meeting.

2 DETAILS

2.1. The year 2022-2023 has been a busy year for London Borough of Merton's Complaints Team.

2.2. Following a review of the formal complaints service in 2021, which identified several shortfalls in the way complaints were being dealt with, the focus of the past year has been developing and implementing new ways of working to bring the Council in-line with the guidance published by The Local Government and Social Care Ombudsman (LGSCO) in 2020.

2.3. Throughout the year, the team have been working with IT and Microsoft Dynamics Partner, Infosys, to develop a Customer Relations Management system to manage the functions of the Complaints Team which are set out below:

- i) Children's Social Care - complaints submitted under The Children Act 1989
- ii) Adult Social Care – complaints submitted under The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009
- iii) Corporate Complaints
- iv) Member Enquiries
- v) Compliments
- vi) Comments
- vii) LGSCO complaints

2.4. This process has been ongoing throughout the year and has included process mapping and review of every function. The new system went live on 26 June 2023.

2.5. The LGSCO says that councils should adhere to the following standards and practices to ensure complaints are dealt with effectively.

- i) Getting it right: do simple things well, by complying with the law and following policies.
- ii) Being customer focused: Make the complaints process easy to find and use, and keep complainants informed
- iii) Being open and accountable: Processes should be transparent and be honest when things have gone wrong.
- iv) Acting fairly and proportionately: councils should explain their thinking, base decisions on sound evidence and explain clearly why they were made.
- v) Putting things right: make amends. If something has been done wrong, councils should apologise and take steps to put right any injustice caused.
- vi) Seeking continuous improvement: complaints are a great learning tool. Councils should put systems in place to capture the lessons, which will help improve services.

2.6. The new system has been designed with the above principles in mind. The CRM will:

- i) Enable residents to make complaints easily via a guided web form with immediate confirmation of receipt
- ii) Provide safe and secure storage of complaints in one place
- iii) Enable consistent recording of complaints for accurate reporting
- iv) Automate reminders to keep complaints on track
- v) Track agreed actions and monitoring of lessons learned

Overview of Complaint Volumes

2.7. The Complaints Team has seen an increase of 32% in the number of complaints received in 22/23 year. This is the second year that a significant rise in the number of complaints has been experienced, and numbers of complaints have now risen to levels seen before the pandemic, having dropped quite significantly during the first year of the pandemic.

2.8. The number of complaints received year on year are as follows:.

2019 – 2020 864 complaints received

2020 – 2021 403 complaints received

2021 – 2022 673 complaints received

2022 – 2023 887 complaints received

2.9 With the exception of Children, Schools and Families, all departments saw a significant increase in the number of corporate complaints received in 2022/23.

| Department | Number of Stage 1 complaints logged in 2021 - 2022 | Number of stage 1 complaints logged in 2022 - 2023 | Percentage change from 2021/22 to 2022/23 |
|------------------------------|--|--|---|
| Environment & Regeneration | 471 | 648 | 38% (increase) |
| Corporate Services | 112 | 131 | 17% (increase) |
| Community & Housing | 34 | 63 | 85% (increase) |
| Children, Schools & Families | 51 | 45 | -12% (decrease) |

Response Times

2.10 It is recognised that the 2022-2023 auditing year was not without its challenges. The borough faced two major incidents which meant officer resource had to be re-directed. This has had an impact on the number of complaints responded to in time. In quarter 2, there was a noticeable drop in the number of complaints responded to in time to 51%. For the other quarters, 65% of complaints were responded to in time. Over the year, 60% of complaints submitted were responded to in time.

| Department | Number of Stage 1 complaints responded to in time in 2021/22 | Number of stage 1 complaints responded to in time in 2022/23 |
|------------|--|--|
| | | |

| | | |
|------------------------------|-----------|---------------|
| Environment & Regeneration | 318 (68%) | 409 (63%) |
| Corporate Services | 90 (80%) | 83 (63%) |
| Community & Housing | 18 (53%) | 26 (41%) |
| Children, Schools & Families | 27 (53%) | 17 38% |

Instances of service failure

2.11 Of the 887 complaints received, 595 (67%) were upheld or partially upheld at stage 1 indicating a degree of service failure.

| Department | Number of stage 1 complaints upheld or partially upheld in 2021/22 | Number of stage 1 complaints upheld or partially upheld in 2022/23 | Percentage change in complaints upheld or partially upheld from 2021/22 to 2022/23 |
|------------------------------|--|--|--|
| Environment & Regeneration | 340 (72%) | 438 (68%) | 29% |
| Corporate Services | 49 (44%) | 90 (69%) | 84% |
| Community & Housing | 17 (50%) | 34 (54%) | 100% |
| Children, Schools & Families | 25 (49%) | 33 (73%) | 32% |

Resolving complaints

2.12 103 complaints were escalated to stage 2 of the formal complaint process, that is 12% of the complaints received. Escalations to stage 2 can be caused by insufficient explanation in a stage 1 response, or because a promised action has not been carried out.

| Department | Number of escalations to stage 2 in 2021/22 | Number of escalations to stage 2 in 2022/23 | Percentage change in complaints escalating from 2021/22 to 2022/23 |
|----------------------------|---|---|--|
| Environment & Regeneration | 52 (11%) | 75 (12%) | 44% |
| Corporate Services | 7 (6%) | 13 (10%) | 86% |
| Community & Housing | 5 (15%) | 7 (11%) | 40% |

| | | | |
|------------------------------|----------|----------|-----|
| Children, Schools & Families | 10 (20%) | 11 (24%) | 10% |
|------------------------------|----------|----------|-----|

LGSCO Referrals

2.13 If dissatisfied, having exhausted the council's complaints procedure, residents may refer their complaints to Local Government and Social Care Ombudsman (LGSCO) for assessment. Not all referrals are investigated. In 2022-23 the LGSCO issued 44 final decisions – fault was found in 12 cases.

| | LGSCO Final Decisions issued 2022/23 | Final decisions stating fault/maladministration |
|------------------------------|--------------------------------------|---|
| Environment & Regeneration | 19 | 1 |
| Corporate Services | 10 | 5 |
| Community & Housing | 7 | 5 |
| Children, Schools & Families | 8 | 1 |

Compliments

2.14 .Another form of spontaneous feedback received from residents is compliments. In 2022 – 2023 some 286 compliments were received, where residents praised individuals or services.

| Department | Stage 1 Complaints received 2022 - 2023 | Compliments received 2022 - 2023 |
|------------------------------|---|----------------------------------|
| Environment & Regeneration | 648 | 103 |
| Corporate Services | 131 | 22 |
| Community & Housing | 63 | 133 |
| Children, Schools & Families | 45 | 28 |

2.15 Community & Housing received more than twice the number of compliments than complaints. Notably:

- i) The libraries team received 31 compliments in the month of August, following the Heritage Day event. They received 42 compliments overall.
- ii) The MASCOT team received 31 compliments over the year

iii) The older persons team received 21 compliments

3 ALTERNATIVE OPTIONS

The Committee could decide not to consider reports on complaints but it is good practice to understand where things may have gone wrong and to learn from any mistakes that have been made. The new CRM system referred to above will provide useful data to allow a much more systematic approach to this.

4 CONSULTATION UNDERTAKEN OR PROPOSED

Not applicable

5 TIMETABLE

Not applicable

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.15.1 There are no financial implications arising from this report.

7 LEGAL AND STATUTORY IMPLICATIONS

Not applicable

7.15 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

7.15.1 None

7.16 CRIME AND DISORDER IMPLICATIONS

7.16.1 None

7.17 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

None

11. APPENDICES

Appendix A – Corporate complaints report 2021 - 2022

Appendix B – Adult Social Care complaints report 2021 – 2022

Appendix C – Children’s Social Care complaints report 2021 - 2022

Corporate Complaints Report 2021-2022

Introduction

The Local Government and Social Care Ombudsman is an authority for the resolution of complaints regarding services provided by councils.

In October 2020, they issued councils with guidance on how to handle complaints called 'Effective Complaint Handling for local authorities'. They said that councils should adhere to the following standards and practices to ensure complaints are dealt with effectively.

- **Getting it right:** do simple things well, by complying with the law and following policies.
- **Being customer focused:** Make the complaints process easy to find and use, and keep complainants informed
- **Being open and accountable:** Processes should be transparent and be honest when things have gone wrong.
- **Acting fairly and proportionately:** councils should explain their thinking, base decisions on sounds evidence and explain clearly why they were made.
- **Putting things right:** make amends. If something has been done wrong, councils should apologise and take steps to put right any injustice caused.
- **Seeking continuous improvement:** complaints are a great learning tool. Councils should put systems in place to capture the lessons, which will help improve your services.

In London Borough of Merton, formal or corporate complaints about the council's services are managed as a function of the Complaints Team, who similarly manage and co-ordinate other types of complaint. These are Children's Social Care complaints and Adult's Social Care complaints, which are reported on separately. The team also co-ordinate enquiries made on behalf of residents by the Council's members through its Members' Enquiries function. The team also log other types of spontaneous feedback through the "Comments" and "Compliments" mailboxes.

In 2021, following a restructure, the Complaints Team moved to sit within the wider Communications Team with a new head of service and a new team manager. A review of the service took place and a number of improvements to the service have been implemented, with further enhancements planned. These will bring London Borough of Merton into alignment with the expectations of the Local Government and Social Care Ombudsman and the guidance issued in 2020.

The Complaints Team are knowledgeable in the handling of complaints and operate independently of other service teams. Although it is the responsibility of the service teams to respond to complaints, the team acts as an impartial conduit for complainants and the council's officers. They remain available to both throughout the duration of a complaint, providing guidance throughout the process.

The Complaints Team Manager is also the link person for the Local Government and Social Care Ombudsman.

An important function of the Complaints Team is to collect and collate data from feedback received. This assists the council in preventing recurring complaints, identifying training needs and updating policies and guidance.

The Local Government and Social Care Ombudsman also says that councils should report annually on their complaint handling performance annually and make the reports easily accessible. The annual report should include the following data sets:

The learning from complaints: Specific actions the council has taken in response to complaint findings.

Recommendations for further actions to address underlying issues.

Complaints received by service area: London borough of Merton has four directorates and a number of smaller service teams within those directorates

How the complaints were received: phone, email, online, face-to-face

The number of upheld complaints for each service area.

There are generally four outcomes of a complaint, these are:

Upheld – where we agree with the complainant

Partially upheld – where we agree with the complainant in part, but not fully. It can also be used where a policy is applied but leads to an unfair outcome.

Not upheld – where we do not agree that there has been a service failure

Inconclusive – where we do not have evidence to conclude the complaint one way or another.

Withdrawn – Complaints can be withdrawn for a number of reasons, sometimes the complainant will choose to withdraw the complaint, or it maybe excluded from the formal complaints process if it is an exception.

The number of upheld complaints at each stage of the process: London Borough of Merton has a two-stage complaint resolution process.

How the numbers of complaints compared to previous years.

The council's performance against its own timescales for each service area: This is 20 working days at stage 1 and 25 working days at stage 2

The complaints performance of third parties on behalf of the council: The council replies to all complaints made against third parties who are carrying out work on behalf of the council, unless they are complaints about personnel, in which case they are dealt with directly by the contractors.

The council's LGSCO annual letter and progress against the agreed service improvements.

This is a letter written to all local authorities regarding their performance in terms of complaints that have been escalated to LGSCO and has links to data collected. It can be viewed by following this link:

<https://www.lgo.org.uk/documents/councilperformance/2022/london%20borough%20of%20merton.pdf>

Key points

It was expected that complaints would rise, following the relaxing of restrictions put in place during the coronavirus pandemic. During the course of the restrictions some services ceased or changed the way they were delivered. There has been an 70% increase in the number of complaints across the council. However, a reduction was seen in the number of complaints regarding children's services and dealt with under the corporate complaint procedure.

- Total number of stage 1 complaints received in 2021 – 2022 was 673 cases, compared with 403 the year before.
- Change in number of upholds
- Escalations
- 211 compliments were received

Complaints handling within London Borough of Merton

The council operates a two-stage complaints process.

Most complaints are resolved at stage 1, complainants can request escalation to stage 2, a review stage if they are unsatisfied with the response at stage 1. Stage two review is the final stage of the council's formal complaint resolution process. Having completed this process, the complaint maybe referred to the Local Government and Social Care Ombudsman if the complainant remains unsatisfied.

Under corporate complaints procedure:

Stage 1 complaints are: investigated by the service team

Responded to by the service manager

Required to be answered within 20 working days

Escalation is subject to approval by The Complaints Team

Stage 2 complaints are: reviewed by the Complaints Team

Agreed by the service's assistant director or director

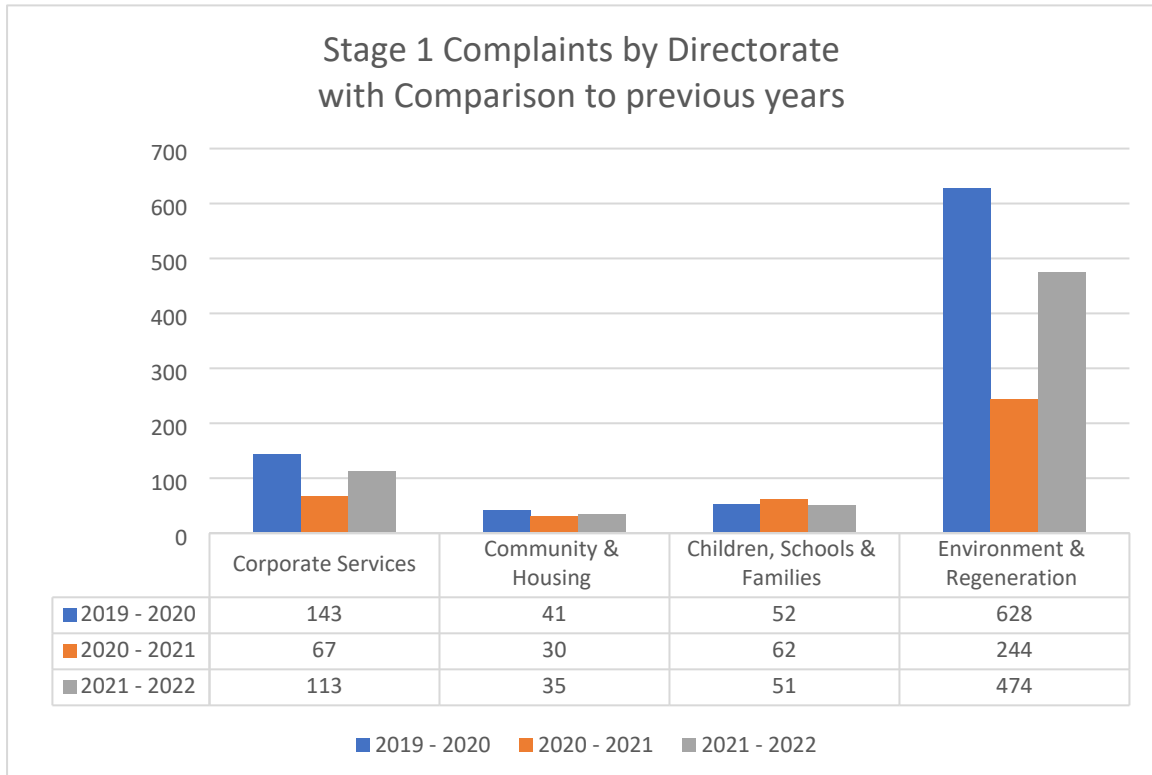
Required to be answered within 25 working days

Escalated to LGSCO at complainant's request.

Subject to a one-year limit for escalation to LGSCO

Number of complaints received

The Council received 673 formal complaints across its four directorates, compared with 403 complaints the year before. This is a 70% increase when compared with the figures for the year 2020 – 2021.



Environment and Regeneration saw a rise in complaints of almost 94%.

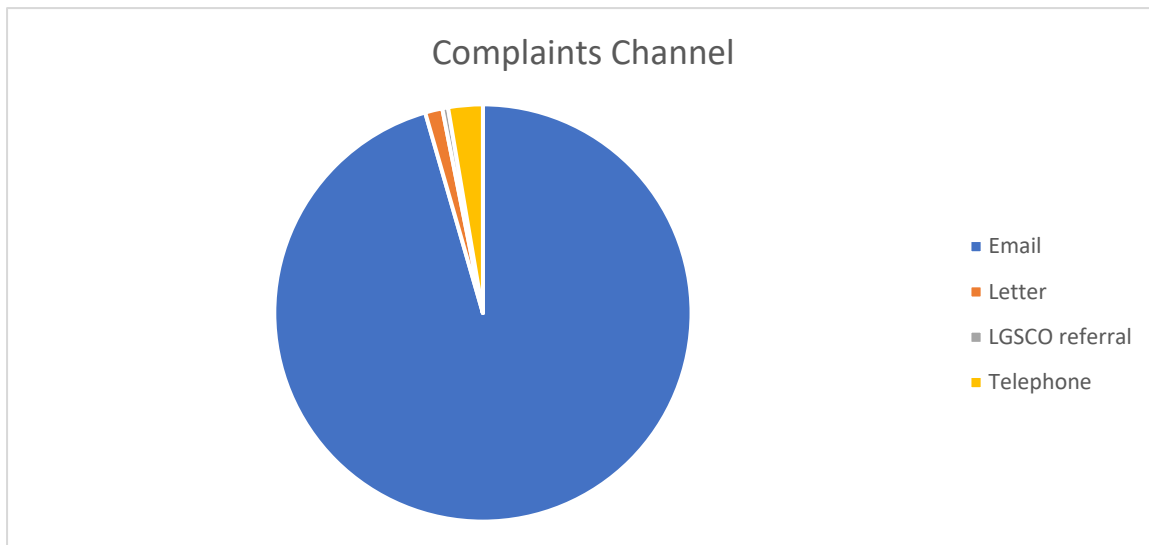
For Corporate Services the increase was 69%

Community and Housing saw a modest rise of 17%

Children, Schools and Families were the only directorate to experience a decrease in the number of corporate complaints – 18%.

Despite most services receiving more complaints, none are as high as in the year before the pandemic – 2019 – 2020.

How complaints were made



Most of the complaints received were submitted by email in 2021 - 2022. Whilst email has been the most popular way of submitting a complaint, it should be remembered that during this time no face-to-face meetings were offered due to most staff working from home and ongoing trepidation about viral transfer, and telephones were restricted to answer phone and a call back.

Complaint Outcomes

There are five outcomes that can be assigned to a complaint. These are upheld, partially upheld, not upheld, inconclusive and withdrawn.

Upheld and partially upheld are indicative of service failure and therefore these complaint outcomes should be scrutinised carefully. They also provide opportunity for service improvements.

In the year 2021-2022, of the 672 formal complaints received 428 were upheld in part or in full. That is 64%. The uphold rate was particularly apparent in Environment and regeneration where the rate was 71%. For the other directorates the uphold rate was around 50%.

The outcome – withdrawn refers to complaints that have been submitted, but not taken to full investigation. There are several reasons for this.

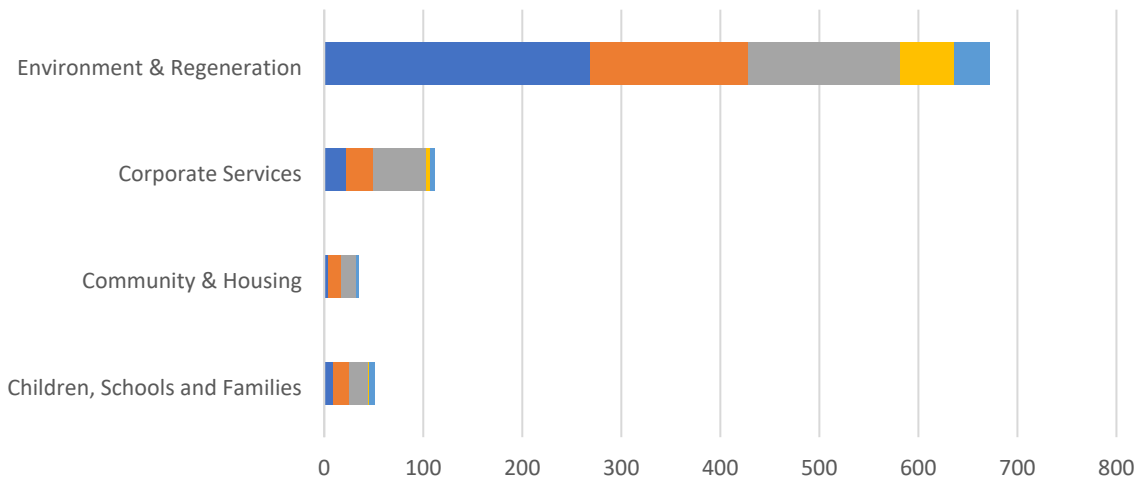
Complainant withdraws complaint – this often happens if the complaint can be resolved easily and quickly. For example, a service request has been delayed but is then carried out.

Complainant doesn't provide information – Sometimes people start a complaint, but then fail to provide any further details.

Exception – On assessment, the complaint is found to be in incorrect channel. It may need to be re-directed through an appeal, legal or specialist channel such as insurance, safeguarding or data protection.

Complaints Team decision – there are some discretionary exceptions that can be applied for example complaints over 12 months old, or where a complaints investigation will not result in a helpful outcome.

Stage 1 Complaints Outcomes



| | Children, Schools and Families | Community & Housing | Corporate Services | Environment & Regeneration |
|------------------|--------------------------------|---------------------|--------------------|----------------------------|
| Withdrawn | 6 | 3 | 5 | 36 |
| Inconclusive | 1 | 0 | 4 | 54 |
| Not Upheld | 19 | 15 | 54 | 154 |
| Partially Upheld | 16 | 13 | 27 | 159 |
| Upheld | 9 | 4 | 22 | 269 |

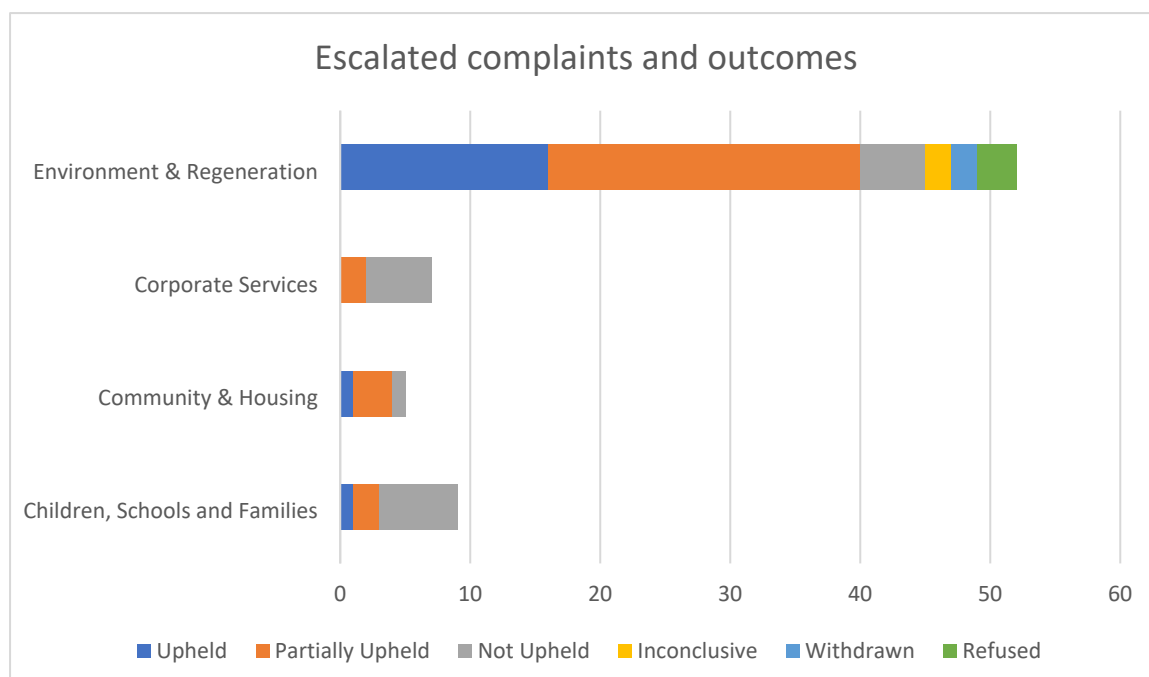
■ Upheld
 ■ Partially Upheld
 ■ Not Upheld
 ■ Inconclusive
 ■ Withdrawn

Stage 1 outcomes by percentage



■ Upheld
 ■ Partially Upheld
 ■ Not Upheld
 ■ Inconclusive
 ■ Withdrawn

Escalations to Stage 2



Complaint escalations usually occur for the following reasons:

- Complaint points have not been properly addressed or missed or new evidence has come to light which may change the outcome
- A complaint has been upheld but no solution has been offered
- A solution has been agreed, but not carried out

These are acceptable reasons for escalating a complaint.

The Complaints Team can refuse to escalate a complaint if:

- The complaint point has already been upheld and further investigation will not change the outcome.
- No new evidence has been provided and further investigation will not change the outcome
- The complaint is a policy complaint, and further investigation will not change the outcome
- The escalation request has been submitted after the deadline – discretion needs to be applied in such cases.

Complaints should be adequately answered at stage 1, and escalations to stage 2 should be infrequent. Changes of outcome at this stage should be rare.

In 2021 – 2022, about 11% of complaints escalated to stage 2 (73 of 672 complaints). This is just over the KPI of 10%.

Of the 73 cases that did escalate, 67% (49) upheld or partially upheld at stage 2 indicating further service failure or poor response at stage 1.

Actions have been taken to prevent this occurring in the future.

The complaints process is based on three documents, the complaint as submitted by the complainant, a formal acknowledgement and a response or outcome letter.

- **Formal acknowledgement**

All stage 1 complaint requests are now formally acknowledged by the Complaints Team, complaint points are numbered and summarised on a standard template, and the complainant is asked to check and agree the complaint points prior to investigation.

The acknowledgement document outlines any points that can't be investigated and the reasons why and signposts the complainant to the correct procedure where applicable.

The acknowledgement advised the complainant of how their complaint will be investigated and when they can expect to receive a response.

- **Templated response**

Once agreed, the Complaints Team pre-populate a response template with the agreed complaint points. The summarised complaints points enable service teams to address the points without having to go through lengthy complaint correspondence. This approach means that the complaint can easily be directed to service teams where multiple teams are involved.

The template is structured in a way that ensures all complaint points are addressed and an outcome is given to each point.

The template has a section for the resolution with an expected completion date for upheld and partially upheld complaints. Similarly, there is space for lessons learned.

Finally, the template advised the complainant what to do should they be unhappy with the complaint response

Once the outcome letter has been drafted, it is quality checked by the Complaints Team before being sent to the complainant as a PDF attachment, from the Complaint Team's mailbox.

Sending the complaint outcomes from a central mailbox means that complainants have a single point of contact and reduces incidents of officer in service teams becoming involved in lengthy email discussions.

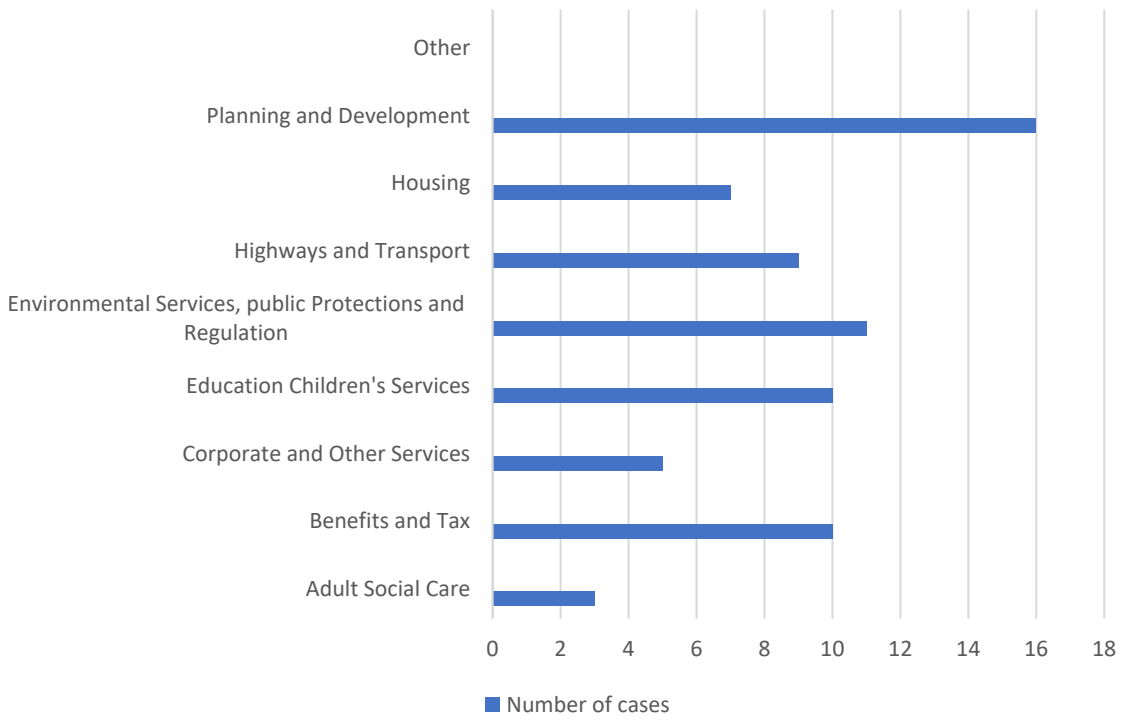
Apart from making the formal complaints process clearer for complainants and responding officers, the structured nature of the acknowledgement and outcome documents has the advantage that complaints can be more easily analysed, and more meaningful reports can be produced.

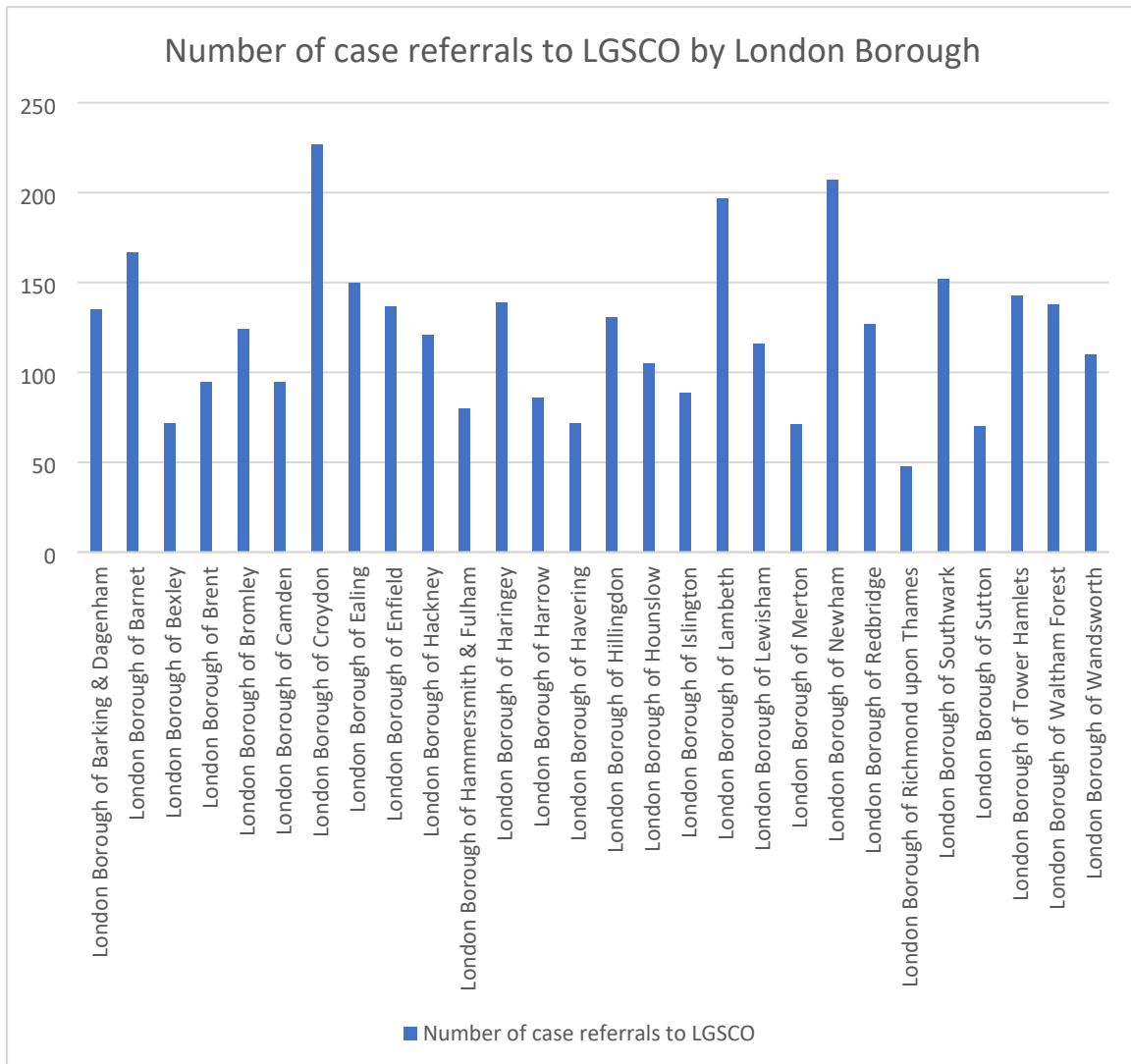
Escalations to the Local Government and Social Care Ombudsman

On completing both stages of the formal complaints process, complainants can refer their cases to the Local Government and Social Care Ombudsman for external review.

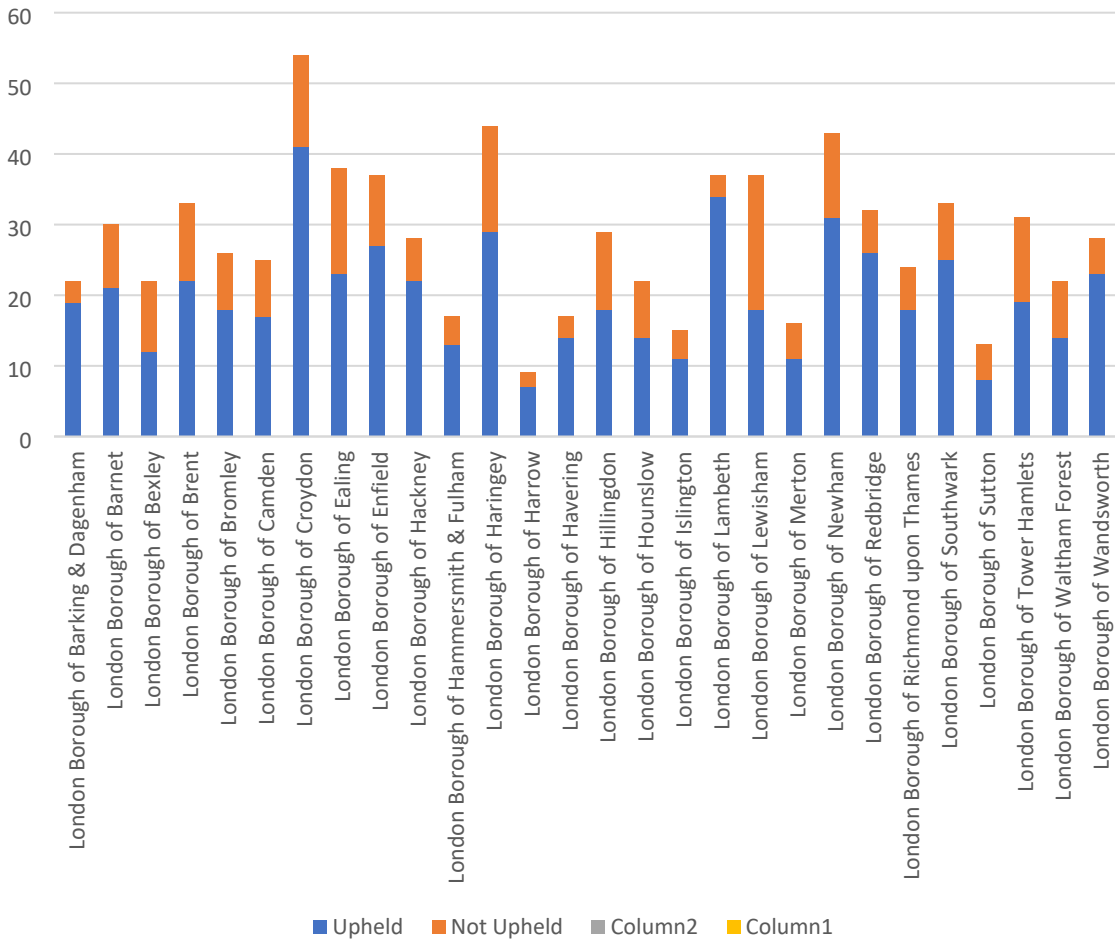
In the year 2021 – 2022, 71 cases were referred to the ombudsman. Only two London Boroughs had less referrals. Sutton and Richmond upon Thames, with 70 and 48 respectively.

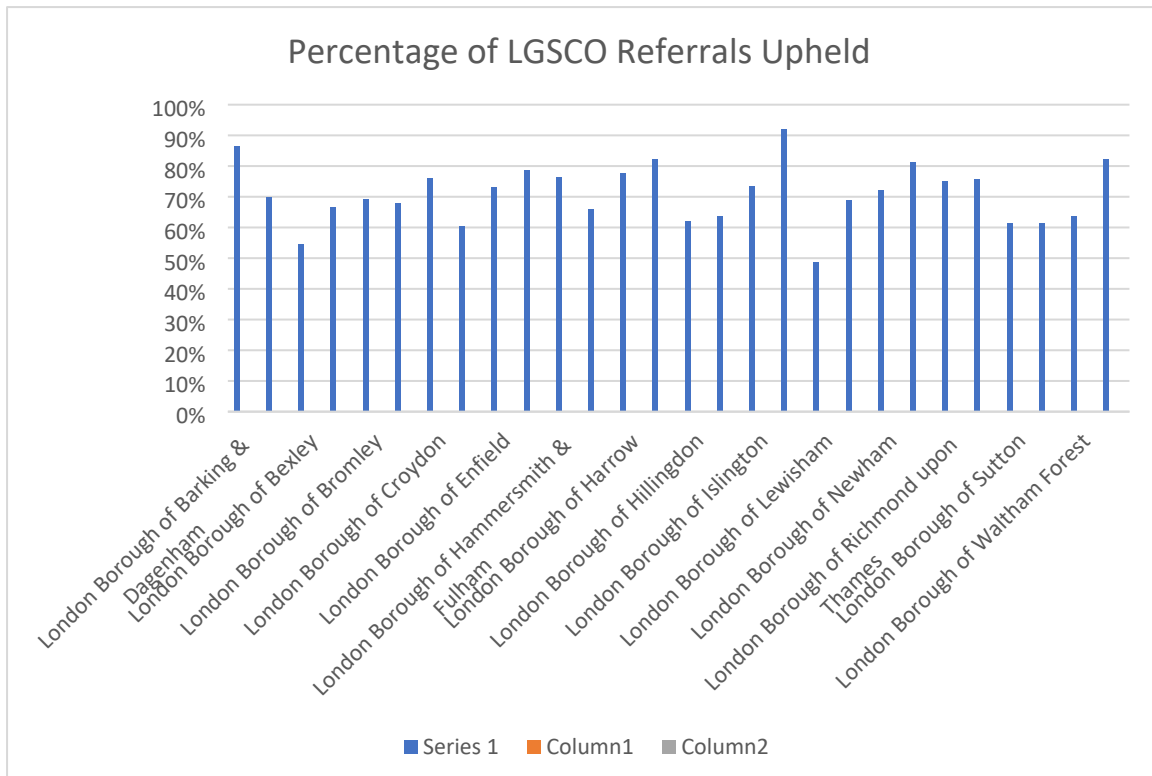
London Borough of Merton - LGSCO referrals by division



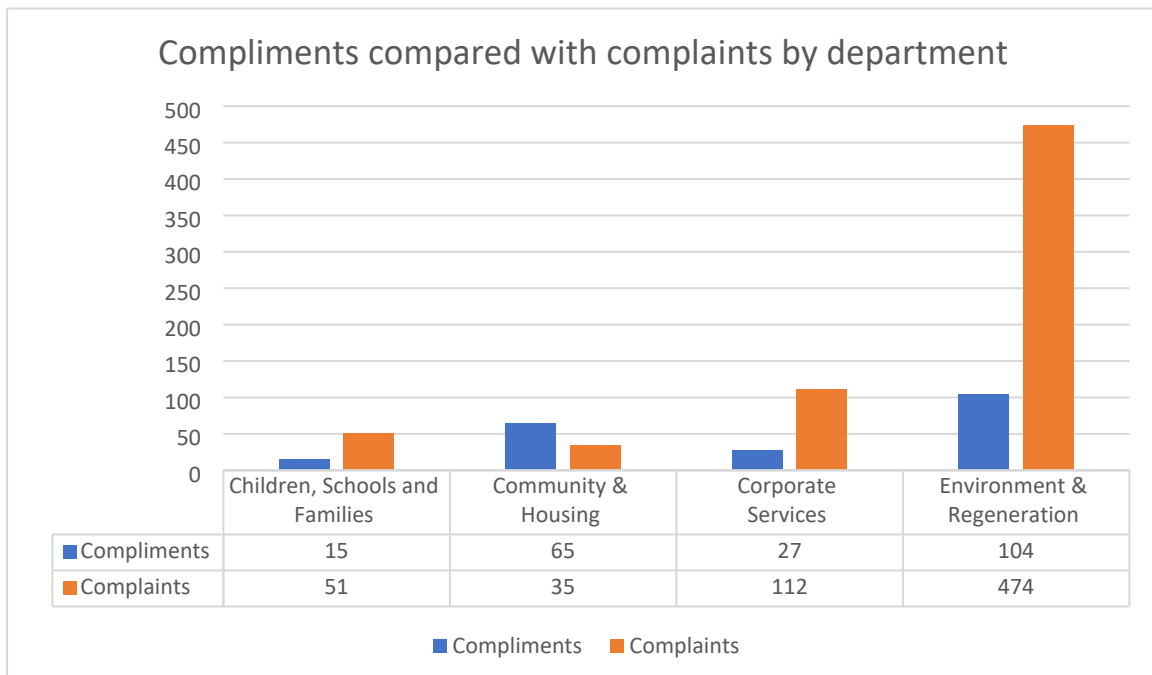


Outcomes of cases taken to full investigation





Compliments



Environment & Regeneration – Waste

“I just wanted to say how brilliant the waste operatives are that come and collect my bins. Every single time they go over and above and are always so helpful and friendly. Why people go off about the bin men and women I don’t know, but I’m convinced people will moan about anything!”

April 2021

Environment & Regeneration – Regulatory Services

*“I would like to also thank _____ for her patience and tremendous help to be able to complete the application which I was finding impossible to do through the electronic system. Without her help I would not have been able complete my application.
Please thank her again for me.”*

April 2021

Environment & Regeneration – Parking and CCTV

“Thank you for your assistance in this matter, whoever I spoke to was very helpful & patient in sorting out this issue.”

May 2021

Environment & Regeneration - Greenspaces

*“I would like to compliment council tree officer _____ for going above and beyond in helping me remove a fallen down tree on my vehicle after storm Eunice.
He was only supposed to come and inspect the damage. When he saw the trouble that I was in he produced a saw and helped me cut down and remove the fallen tree.
I would not have managed it on my own.
Thank you”.*

February 2022

Corporate Services - Registrars

“It is unfortunate that most feedback proffered is to register a complaint; I wish to offer a compliment.

I attended the registry office Wednesday AM for my UK citizenship ceremony. Everyone was welcoming, friendly and accommodating; even when I arrived early. Whilst excited at being sworn in, I was nervous; however, the staff were welcoming, amiable and congratulatory; especially the lovely registrar who took my affirmation and gave me a free pen!

Thank you one and all for a wholly positive experience!”

April 2021

Corporate Services - Revenues

“I wish to send my sincere thanks to _____ who was exceptionally thorough, compassionate and resourceful in helping me deal with my late stepfather's properties. In these unprecedented times it makes all the difference to have such customer care to make such a difficult process easier.”

April 2021

Effectiveness of the complaint procedures

There has been an initial review of the complaint resolution service. As part of the review a number of high-level recommendations were made. These were:

1. A revision of the Complaints, Comments and Compliments Policy should be carried out
2. Improve access to the Complaint Service
3. Introduce a case management System
4. Additional staff resource for the Complaints Team
5. Support culture change in attitudes to complaints

1. A revision of the Complaints, Comments and Compliments Policy should be carried out

The Complaints Policy has been reviewed and further recommendations have been made to make the policy clearer. A new document has been drafted to sit alongside the policy with comprehensive complaint handling guidance to be made available to all staff. This high-level recommendation will be finalised once some of the other recommendations have been completed.

2. Improve access to the Complaint Service

The Complaints Team has approached the council's Participation and Engagement manager to engage with Merton's Children in Care Council – called "Our Voice". Our Voice is a group of young care leavers who now engage with the council to input into services. Two questions were posed to the young people with respect to the complaints process:

1. How can we reach young people, so that they know there is a complaints process?
2. How would they want to contact us?

They came back with the following responses:

How can we reach young people, so they know there is a complaints process?

- Promoting the complaints through Jigsaw
- Having social workers/support staff inform them of the complaints process
- Having the complaints process advertised on care guide
- Having the complaints process made known in meetings like PEP meetings and reviews
- Having the complaints process on the bottom of forms
- Encourage feedback good or bad

How would they want to contact us?

- Being able to go straight to the person (complaints team) face to face (in civic)
- Phone, text, email, social media
- Go through Jigsaw
- Through the Merton website
- Other suggestions were
- Using online forms (One that gets emailed back to you so you have a copy of it)

Other suggestions were

- Using simple language in the complaint form
- Having set questions
- Having someone support/help with filing a complaint

The Complaints Team will now work with the wider Communications and IT teams to develop these suggestions.

3. Introduce a case management System

The Complaints Team are working with the IT team and Infosys to develop a Microsoft Dynamics based case management system. This project includes:

- A webform for submitting complaints – which will help us to capture the information required to fully investigate a complaint at the first point of contact, we will also request the characteristics of the complaint, which is a data set missing at present.
- The complaints form should be accessible across a range of devices such as mobiles, tablets, laptops and in hard copy.
- Improved reporting and tracking of complaints and resolutions
- Ability to link complaints to gain full picture.

4. Additional staff resource for the Complaints Team

A new, full-time, Complaints Officer has been recruited into the Complaints Team. All Complaints Officers will receive training in Children's Statutory Complaints handling.

5. Support culture change in attitudes to complaints

The Complaints Team has done a huge amount of work to change its image within the Council, and to raise its profile as a support to residents and service teams.

The way in which complaints are received and acknowledged has been revised. Complainants now receive a document with a detailed summary of their complaint points. They are invited to check the complaint points and discuss any amendments prior to investigation.

Service teams now have clarity over the points to be investigated and have access to in person or video guidance to complete complaint responses.

All complaint responses are quality checked and sent out via the complaints team mailbox, which helps to prevent escalations.

Service Teams are encouraged to consider lessons to be learned through complaints.

The Complaints Team run Team Development Sessions every week, to which other services are invited to take part

London Borough of Merton Council

Adult Social Care Complaints

Introduction

The handling of complaints about Adult Social Care services is directed by The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009.

These regulations say every council must:

- Deal with complaints efficiently
- Properly investigate each complaint
- Offer assistance to complainants to enable them to understand the procedure and obtain advice if needed.
- Respond to each complaint in a timely and appropriate way.

The regulations also direct councils to provide an annual report about adult social care complaints and make that report available to any person on request.

There are some data sets that must be included in the annual report, these are:

The number of complaints:

Received : This is the total of the complaints whereby a formal complaint response is requested, or it can be implied that a formal complaint response is required. Not all complaints received result in a formal complaint investigation. Where we cannot formally investigate a complaint, the complainant will be advised, and signposted, where possible, to the correct procedure.

Upheld : These are complaints where there has a service failure has been established. There are generally four outcomes of a complaint, these are:

Upheld – where we agree with the complainant

Partially upheld – where we agree with the complainant in part, but not fully.

Not upheld – where we do not agree that there has been a service failure

Inconclusive – where we do not have evidence to conclude the complaint one way or another.

Referred to the Local Government and Social Care Ombudsman : Adult Social Care Complaints have a single stage, and the Council will do its utmost to resolve complaints. However, if having received a complaint response the complainant remains unsatisfied, they may refer their complaint to the Local Government and Social Care Ombudsman.

Handling: The council should also summarise the subject of the complaints received, how they were handled.

Actions: How issues identified through the complaints process have been or will be addressed in response to the findings.

This report is written to comply with The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009, the expectations of the Local Government and Social Care Ombudsman and the Council's own Complaints, Comments and Compliments Policy.

Key points

It was expected that complaints would rise, following the relaxing of restrictions put in place during the coronavirus pandemic. During the course of the restrictions some services ceased or changed the way they were delivered. There has been an increase, but complaints did not return to pre-pandemic levels seen prior to 2020.

- The number of compliments received far exceeds the number of complaints, 65 compliments were received in 2021 – 2022.
- A total of 29 Adult Social Care complaints were received, this is an increase of 5 cases compared with the previous year 2020 – 2021, when 24 cases were received. (25%)
- 59% of complaints were responded to within our target timescale of 25 working days. This is a decrease on the previous year when 75% of complaints were responded to in time.
- 24% of complaints upheld this is an increase of 7% on the previous year when 17% of complaints upheld.
- 7 complaints were escalated to the Local Government and Social Care Ombudsman
- 2 complaints were upheld by the Local Government and Social Care Ombudsman

Dealing with complaints about Adult Social Care in the London Borough of Merton

In London Borough of Merton, Adult Social Care Complaints are managed as a function of the Complaints Team, who similarly manage and co-ordinate other types of complaint. These are corporate complaints and children's statutory complaints.

In 2021, following a restructure, the Complaints Team moved to sit within the wider Communications Team with a new head of service and a new team manager. A review of the service took place and a number of improvements to the service have been implemented, with further enhancements planned.

The Complaints Team are knowledgeable in the handling of complaints and operate independently of the service teams. The team acts as an impartial conduit for complainants and the Council's officers, remain available to both throughout the duration of a complaint, providing guidance throughout the process. It is the responsibility of the Service Teams to respond to complaints.

An important function of the Complaints Team is to collect and collate data from feedback received. This assists the council in preventing recurring complaints, identifying training needs and updating policies and guidance.

Unlike other types of complaint, complaints about Adult Social Care are dealt with in a single stage process. The complaints should be answered within 25 working days, but this may be extended to 65 working days where necessary. Having completed the internal process, the complaint maybe referred to the Local Government and Social Care Ombudsman if the complainant remains unsatisfied.

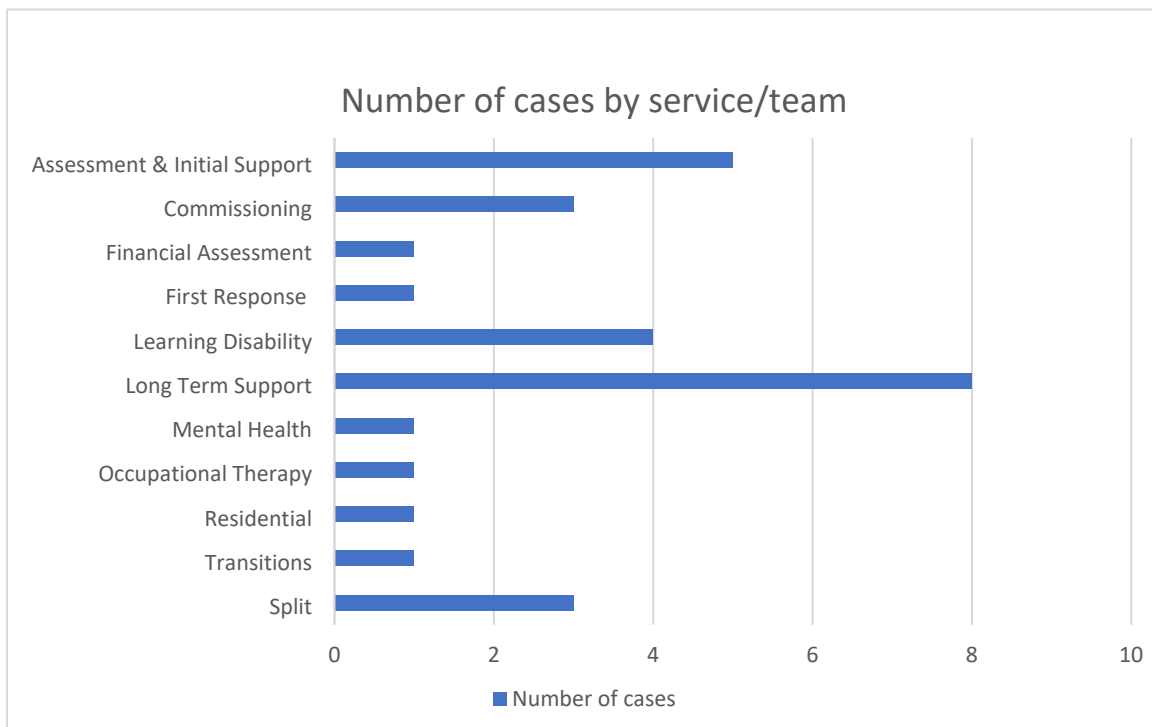
Customer feedback

The Complaints team received 94 feedback items regarding Adult Social Care, 65 of those communications were compliments and identified excellent practice across all teams. This is more than double the number of complaints received (29).



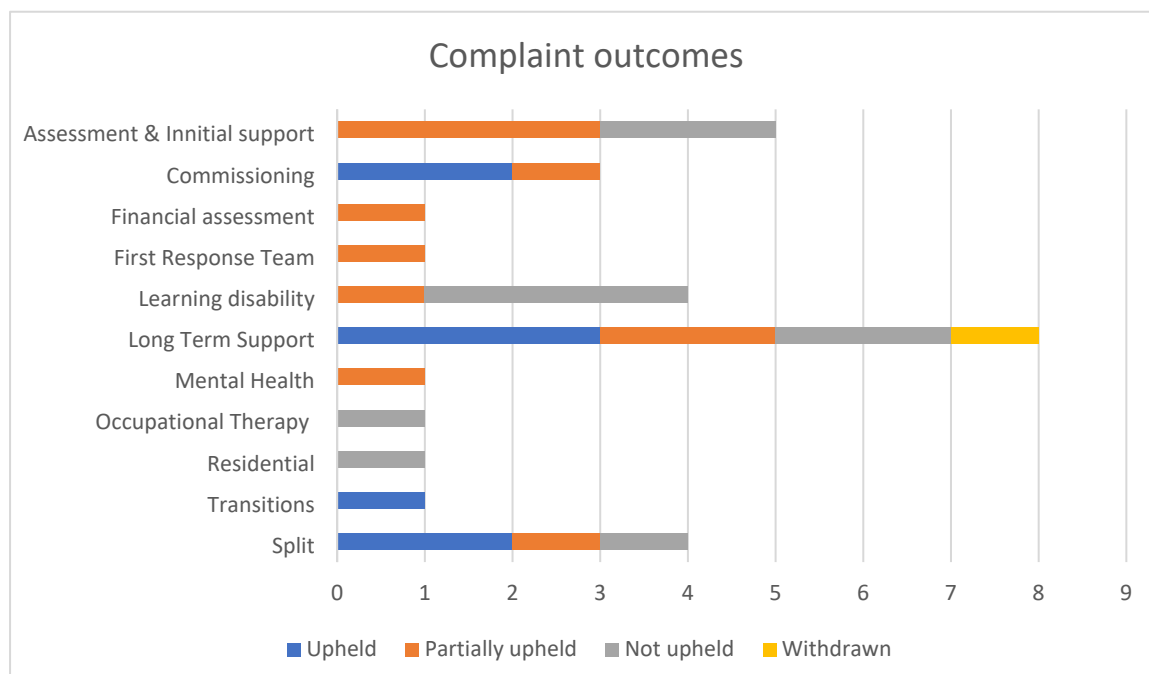
Complaints

The Council received 29 formal complaints regarding Adult Social Care, these are broken down into teams as follows:



Complaint outcomes

Of the 29 complaints submitted, 7 (24%) upheld, 11 (38%) were partially upheld and 10 (34%) were not upheld. 1 complaint was withdrawn during the process.

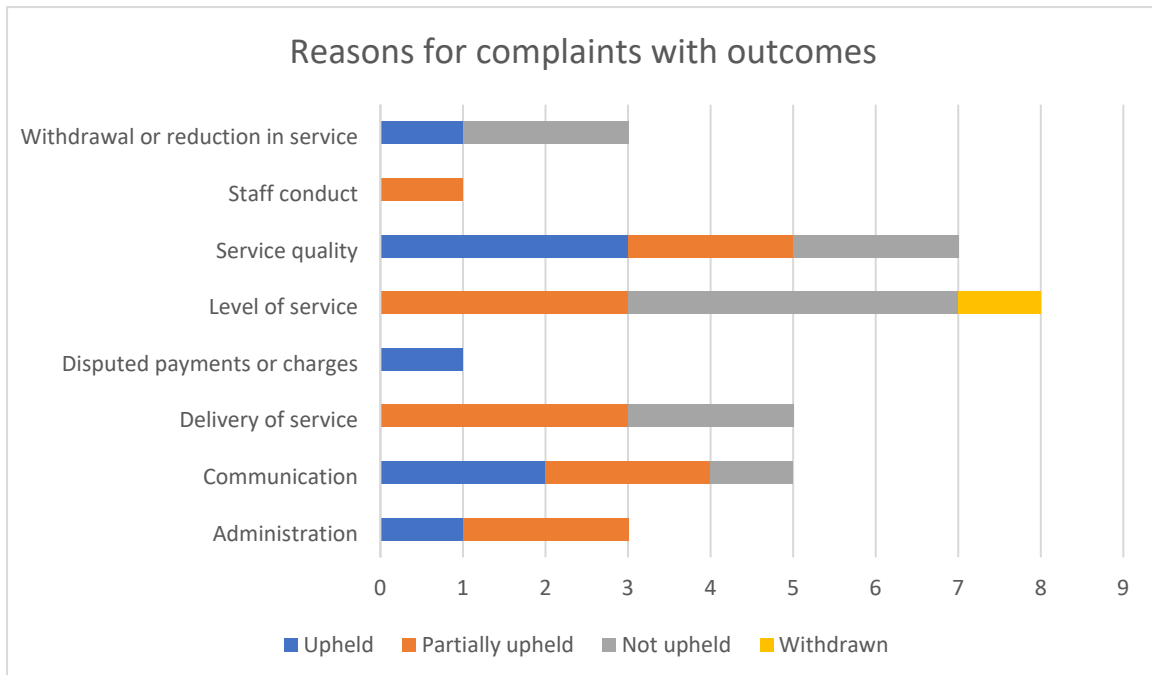


Reasons for complaint

Adult social care packages vary by individual, and people describe their circumstances in different ways. Therefore, there are challenges to categorising complaints by reason as it is somewhat subjective. Some complaints include multiple issues which means that the outcomes don't tally with the number of complaints received. 29 complaints were received 33 outcomes have been recorded.

This year 8 principal reasons for complaint have been identified.

- **Administration:** This is a general administration complaint.
- **Communication:** This usually refers to a lack of response to attempts to contact a team or an action being taken (or not taken) without informing the client or representative.
- **Delivery of service:** This may refer to the timeliness of service delivery, environment, location of service delivery.
- **Disputed payments of charges:** Where the service user queries an invoice.
- **Level of Service:** This refers to the amount of support a client is receiving against their expectation – it is not necessarily based on a new decision.
- **Quality of service:** This relates to the quality of service, but not to a specific individual.
- **Staff conduct:** This relates to the behaviour of a specific employee.
- **Withdrawal or a reduction of service:** This follows a decision to reduce or withdraw a service.



Although there were 29 complaints, there are 33 outcomes on the chart above, this is to reflect multiple issues made in some complaints.

Level of service was the most common reason for complaint, covered by reduction/withdrawal of complaints and level of service categories. However, it was not a category where there were a lot of upholds which indicates a difference in expectation and service provision.

Escalations to Local Government and Social Care Ombudsman (LGSCO)

A total of seven complaints were escalated to LGSCO regarding London Borough of Merton’s adult social care services. The LGSCO does not fully investigate all cases that are referred to it, as they do have exceptions based on jurisdiction and time. However all cases are logged and assigned a reference number. Three cases were closed at initial stages and four cases progressed to further investigation. The LGSCO issued four final decisions in the year 2021-2022.

- One case was not fully investigated.
- No fault was found in one case.
- Fault was found in 2 cases. The full reports can be accessed from the LGSCO website.

The cases are outlined below as summarised by the LGSCO, the full decisions are available on the LGSCO website [Decisions - Local Government and Social Care Ombudsman](#). The case numbers can be typed into the search facility.

| | |
|---|---------------------|
| LGSCO Case Ref | 20 004 448 |
| Decision | Upheld |
| Category (as defined by LGSCO) | Covid-19 |
| Date of final decision | |
| Division | Access & assessment |
| Team | Older people |
| Summary | |
| <p>Ms X complains the Council failed to assess her father's (Mr Y's) needs properly, failed to identify an indicative personal budget or agree a final budget. The Council failed to meet Mr Y's needs after his capital fell below £23,250 and failed to assess the risk to him from moving to another care home. This left him paying for his own care when the Council should have been helping to fund it. It should refund Mr Y, apologise to his daughter and pay her financial recompense.</p> | |

| | |
|--|---------------------|
| LGSCO Case Ref | 20 011 610 |
| Decision | Not upheld |
| Category (as defined by LGSCO) | Domiciliary care |
| Date of final decision | |
| Division | Access & assessment |
| Team | Older people |
| Summary | |
| <p>The Council considered Ms X's circumstances properly and offered care and support appropriate to her eligible assessed needs. It was not fault on the part of the Council to change to commissioned services instead of Direct Payments, in accordance with its policy.</p> | |

| | |
|---|---------------------|
| LGSCO Case Ref | 20 007 386 |
| Decision | Upheld |
| Category (as defined by LGSCO) | other |
| Date of final decision | 10 August 2021 |
| Division | Access & assessment |
| Team | Older people |
| Summary | |
| <p>Mrs X complained the Council moved her aunt, Ms Y, into a residential home without notifying her or her husband Mr X. Mrs X further complained that when Ms Y later died in hospital, the Council again failed to inform her family. Mrs X said because of this she and Mr X lost the chance to say goodbye to Ms Y or help with her funeral arrangements, which caused them significant distress and upset. There was fault when the Council failed to notify Mr and Mrs X after Ms Y moved into residential care and did not follow the correct process when it cleared Ms Y's home of its contents. The Council has agreed to provide an apology and remind its staff of the importance of the contacting next of kin when a service user is moved into residential care. This is a satisfactory resolution which addresses the fault identified.</p> | |

Learning from complaints

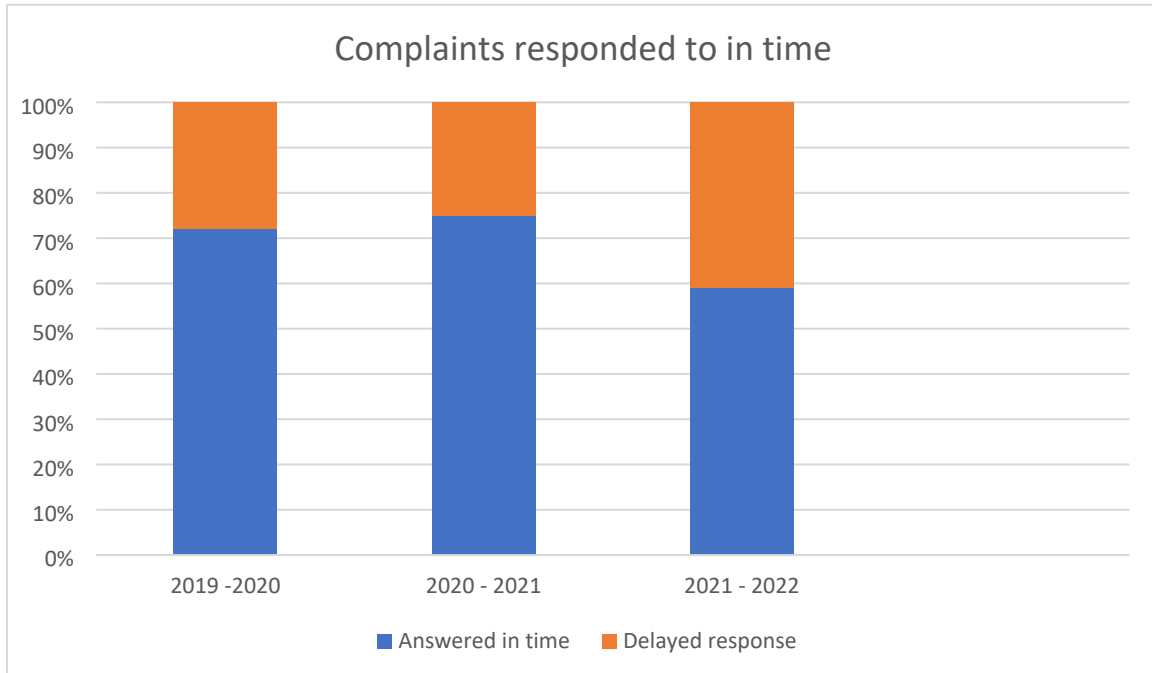
| Adult Social Care | |
|---|---|
| Theme | Action |
| Reviewing Mental Health Team Service | Service to be evaluated by AD to see what changed if any are required to improve working and partnership working with MHT. |
| Carry out a person-centred risk assessment before deciding someone's needs can be met at another care home; | <p>A flow chart and risk assessment to be introduced by Principal Social Worker (PSW). This is to be used when any client is moving care homes in order that risks are identified and mitigations are actioned.</p> <p>The new process and documentation will be launched at a learning event led by the adult PSW.</p> <p>The process will be monitored at the outcomes forum when practice and process is scrutinized.</p> |
| Responds to requests for information about third-party top-ups for care home fees; | Flow chart to be introduced and launched by PSW to routinely point towards external sources of information and advice on 3rd party top ups. Flow chart and process will also advise people take financial advice before agreeing to pay a 3rd party top up. |
| Sending care and support plans out without delay | <ul style="list-style-type: none"> • Timeliness of sending out support plans to be monitored by PSW and Quality assurance manager within the audit process. • Issues of sending out documentation in a timely way also to be discussed with all managers at managers meeting. • Managers to monitor timeliness of support plans being sent out during case closure and transfer checklist. • Remind staff to share draft care and support plan with individual they are working with and/or those they want to have a copy • If additional information is received, ensure staff are reviewing and adding to assessments/care and support plans. These are draft until family have reviewed so can be amended. |
| Concerns regarding a provider and monitoring | <ul style="list-style-type: none"> • Merton Council acknowledges that it is important to have regular quality assurance checks so that the standard of service can be improved and maintained, introduced 3 weekly checks to continue to be carried out by a contract monitoring officer. There is a checklist for the provider to adhere to, which will show evidence of improvement and minimise risks. • The provider are also using an electronic monitoring system to log the start time and end time of each care call. This will provide evidence if the times are not consistent with our commissioned time slots for care calls. The Contracts officer will also carry out spot checks on the electronic monitoring system. • The provider have recently recruited 5 new carers, which will have a positive impact on the availability and punctuality of carers covering care calls on time. |

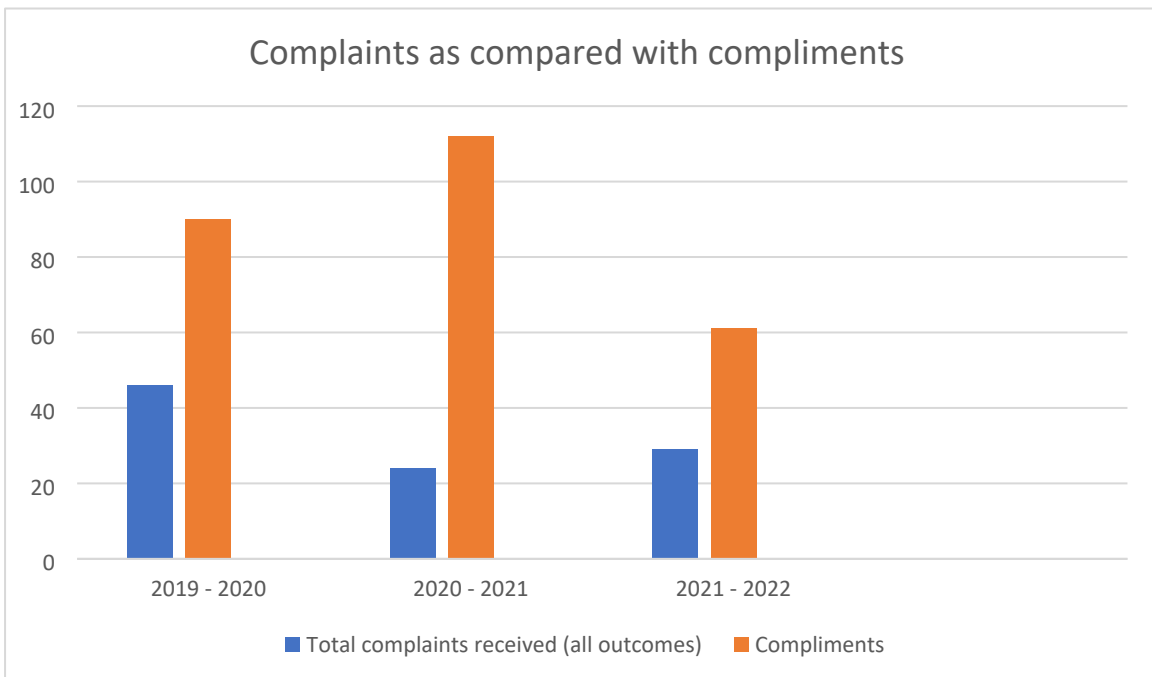
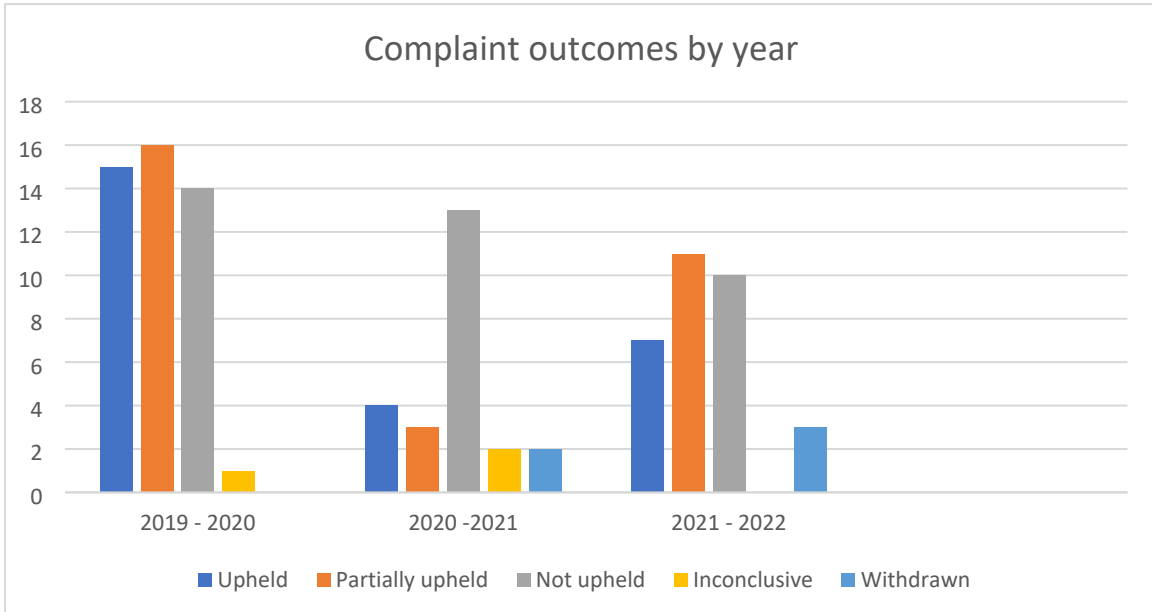
| | |
|---|--|
| Quality of Care – Provider concerns | <ul style="list-style-type: none"> • identified a need for change in system on mosaics to identify provider concerns issues. • identified a new provider concerns process and protocol required. current workshop and meeting ongoing. • Threshold for when provider concern becomes safeguarding to be revised and updated. |
| Communication with People with Lived experience, and families | <ul style="list-style-type: none"> • Staff member involved reminded of the importance of returning calls when we say we will and she has acknowledged how frustrated and distressed this left the person feeling. • The whole team has also been reminded of their responsibilities to complete referrals as soon as possible and to give feedback to our customers and their families and carers as to what will happen next. • Remind LA staff that they should contact the PLE or NOK as a matter of courtesy prior to attending CHC or other MDT meeting as a courtesy call to introduce self. • Notify PLE and family when worker leaves, and reallocation. • Ensure staff are aware that prior to complaint there is an option for manager to speak with people with concerns directly. • Highlight the need for responses to emails be done in a timely manner, particularly where complaints are involved at managers meeting. • Communication appears to be an ongoing theme in a number of the complaints – further work around practice to take place, including Practice Guidance to be developed around Communication for all staff, including top tips. |
| Delay in undertaking assessment – over 4 weeks | <ul style="list-style-type: none"> • Currently developing, and will be introduction of new computer system to managers to keep track of how long assessment are taking. • Performance indicators to be introduced to supervision as standard to be discussed. • QAM – identify overdue assessment monthly with manager/Assistant Team manager |
| Property Disregard | <ul style="list-style-type: none"> • That there is a clearer process for acknowledging and resolving requests for properties to be disregarded when assessing an individual’s ability to contribute to the cost of their care • To develop and implemented by the Council’s Financial Assessment Team. This to be completed by April 2022. |

| Merton Integrated Learning Disability Team and Transition Team | |
|--|--|
| Theme | Action |
| <p>COMMUNICATION</p> <ul style="list-style-type: none"> • Lack of communication with clients/ families, other professionals-not keeping people updated on progress and actions • Lack of contact details for workers resulting in families and customers feeling unsupported | <ul style="list-style-type: none"> • Team Discussion on the importance of regular contact and clarity on actions and decisions . • Accurate recording of actions for evidence providing when things done and who has been communicated with and how • Provision of contact details / telephone / emails etc |
| <p>TIMELINESS</p> <ul style="list-style-type: none"> • Delays in assessments commencing and work being completed | <ul style="list-style-type: none"> • As above – clear communication on actions and the reason for any delay • Staff discussion with supervisors on caseload management • Improving referral meetings and decisions |
| <p>ASSESSMENT PROCESSES</p> <ul style="list-style-type: none"> • Assessments not provided or not provided in a timely way to customer and or family . • Staff waiting for forum decisions rather than sharing assessment promptly | <ul style="list-style-type: none"> • Clarification on Care Act processes • Staff utilising Adult Social Care Pages for guidance • Appropriate use of supervision – strengthening supervision processes. |
| <p>DISAGREEMENT on ASSESSMENT / LEVEL OF SUPPORT</p> <ul style="list-style-type: none"> • Customer or representative not agreeing with assessment outcome and support level i.e. Direct Payment level | <ul style="list-style-type: none"> • Staff outline process for assessment and likely outcome with clarity and manage expectations as early as possible . |

Performance

There is no legally defined period by which statutory complaints about adult social care have to be responded to. However, London Borough of Merton's complaint policy states that these complaints should be responded to within 25 working days. There is an option to extend to 65 working days where necessary. This might be where a complaint is particularly complex and/or involves a third party. The key performance indicator is 90% of complaints to be responded to in time.

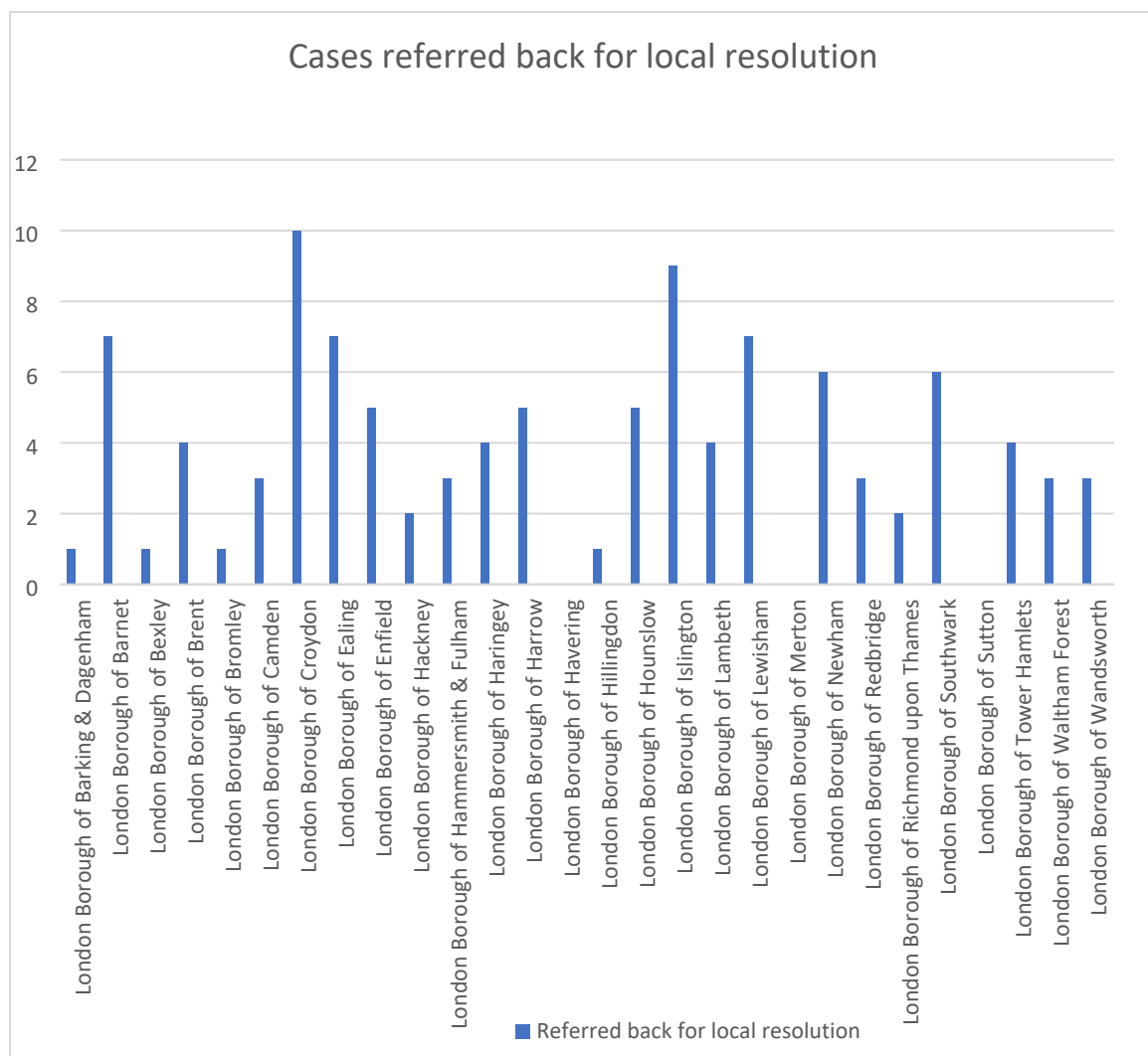




Benchmarking with other London Boroughs

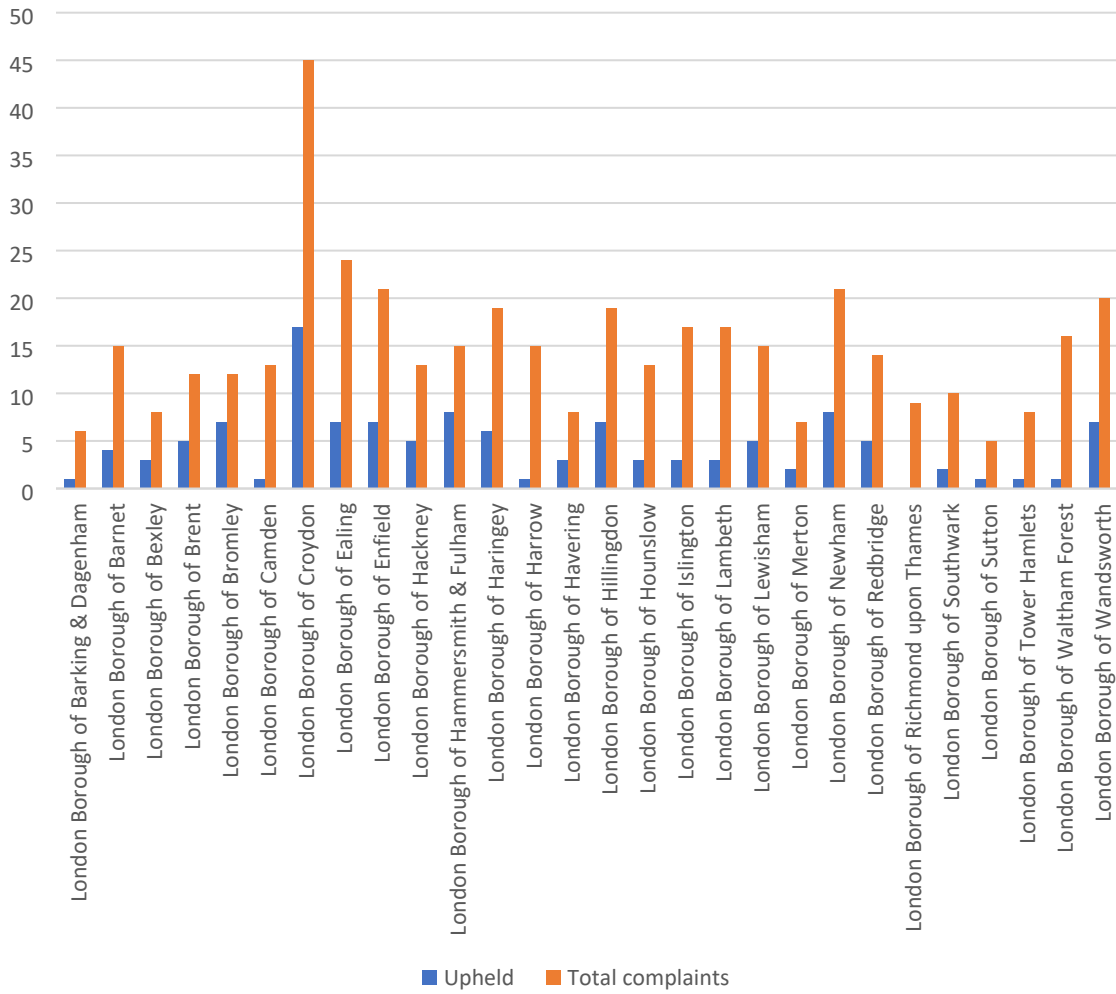
The LGSCO publish a lot of data regarding the performance of local authorities as well as best practice guidance and reports. This is useful and allows for comparison between similar authorities. Data is available for all of England and Wales, however, it is most relevant to compare the performance of London Borough of Merton with other London Boroughs.

London Borough of Merton performs well when compared with other London Boroughs, the number of Adult Social Care complaints remains low, despite a slight increase in cases in 2021-2022. No complaints have been sent back for local resolution, and the number of complaints upholding through the LGSCO is very low.



This is an important indicator of effective complaints handling. Residents will often approach the LGSCO for resolution when they have not had their complaint responded to in time, or where they do not wish to approach the local authority directly. London borough of Merton is one of only three London boroughs to have had no complaints referred back for local resolution.

Total complaints referred to LGSCO by London Borough



Compliments received

Service team

Compliments

Assessment & Initial Support

"You are always so prompt and helpful with your replies. This is such a breath of fresh air. Thank you again for your willingness to help and support."

Financial assessment

"Dear Mx XXXX,

I have been having dealings with XXXXXX over the last couple of years in connection with my elderly aunt and uncle, both now deceased.

She has been so kind, patient and understanding in dealing with their financial arrangements. She has been particularly helpful in connection with their deaths. Nothing has been too much trouble so I wanted to convey my gratitude to her and to your Department for the advice and assistance you have given me.

Many thanks".

First response team

"Just to give you an update. Thank you for everything you have done. I will have a coffee and cake and think of you."

Long term support

"Friendliness, empathy and kindness. Excellent understanding of needs. Provide a fantastic service and do LBM proud."

Mental health

Dear XXXX, This is the feedback regarding XXXXX and her interactions with myself, I would like to thank her for her humanity and empathy in dealing with myself at a very emotional time for us all, she showed such care and compassion in her calls and I am very grateful for her support, I hope your team are very proud to have such a lovely lady working alongside you all.

As an extra I would also like to thank you yourself for your manner on the telephone, having had dealings with other professionals in my working life you are also a breath of fresh air and are much appreciated.

XXXXX XXXXXX".

Occupational therapy

"XXXXX XXXXX was outstanding and was absolutely remarkable with everything she has recommended. Many thanks to her"

Effectiveness of the complaint procedures

The LGSCO has recently released its Annual Adult Social Care report in which it expresses concern about the low level of complaints regarding Adult Social Care across all councils.

Although a low number of complaints is desirable, it can indicate a loss of trust or faith in the system or can be a result of poor accessibility. A complaint rate of between 1 and 3 % of service users is considered healthy.

Complaints can be made through a number of channels including telephone, email, post, face-to-face, however, the process is not well advertised. It has been established that it is difficult to make a complaint to the Council. There is no complaint form available either in a hard copy or electronic format. Complainants are often unsure what to write and officers can be frustrated by missing information.

For service users of Adult Social Care, this is likely to be particularly problematic as they are a particularly vulnerable group who present with learning difficulties, mobility or sensory disabilities.

The problem is further compounded by the single stage process for complaints about Adult Social Care.

As part of the Complaints Service Review, explained further below, it has been proposed that a draft outcome stage be introduced to the Adult Social Care process. This will encourage complainants to discuss the outcome of their complaint with the council before a final response is issued.

There has been an initial review of the complaint resolution service. As part of the review a number of high-level recommendations were made. These were:

1. A revision of the Complaints, Comments and Compliments Policy should be carried out
2. Improve access to the Complaint Service
3. Introduce a case management System
4. Additional staff resource for the Complaints Team
5. Support culture change in attitudes to complaints

1. A revision of the Complaints, Comments and Compliments Policy should be carried out

The Complaints Policy has been reviewed and further recommendations have been made to make the policy clearer. A new document has been drafted to sit alongside the policy with comprehensive complaint handling guidance to be made available to all staff. This high-level recommendation will be finalised once some of the other recommendations have been completed.

2. Improve access to the Complaint Service

At present there is no complaints form either in paper form or available on the website. This is being addressed, with a web-based form having been drafted. This will allow people to make complaints across a range of devices such a mobile, tablet, laptop computers.

Adult Social Care service users may not have access to electronic devices and therefore, it is appropriate that a hard copy is made available.

Both the online and hard copy forms are due to become available in Spring 2023.

3. Introduce a case management System

The Complaints Team are working with the IT team and Infosys to develop a Microsoft Dynamics based case management system. This project includes:

- A webform for submitting complaints – which will help us to capture the information required to fully investigate a complaint at the first point of contact, we will also request the characteristics of the complaint, which is a data set missing at present.
- The complaints form should be accessible across a range of devices such as mobiles, tablets, laptops and in hard copy.
- Improved reporting and tracking of complaints and resolutions
- Ability to link complaints to gain full picture.

4. Additional staff resource for the Complaints Team

A new, full-time, Complaints Officer has been recruited into the Complaints Team.

5. Support culture change in attitudes to complaints

The Complaints Team has done a huge amount of work to change its image within the Council, and to raise its profile as a support to residents and service teams.

The way in which complaints are received and acknowledged has been revised. Complainants now receive a document with a detailed summary of their complaint points. They are invited to check the complaint points and discuss any amendments prior to investigation.

Service teams now have clarity over the points to be investigated and have access to in person or video guidance to complete complaint responses.

All complaint responses are quality checked and sent out via the complaints team mailbox, which helps to prevent escalations.

Service Teams are encouraged to consider lessons to be learned through complaints.

The Complaints Team run Team Development Sessions every week, to which other services are invited to take part

Children's Complaints Report 2021-2022

Introduction

The Children's Act 1989 requires councils which provide children's services to set up a three-stage complaint process for some complaints and produce an annual report to show findings.

The procedure covers complaints about services delivered to children and young people under Part 3 of the 1989 Act and specific functions under Parts 4 and 5 of the Act. This includes services to children in need or in care; about how the council applies to take a child into care; and about fostering, special guardianship, adoption services and services to children leaving care.

Under the procedure, complaints made by the child or young person, their parents, foster carers, special guardians, adopters and others who may have an interest in their wellbeing may be considered.

Complaints about child protection matters or how the council assesses families and prepares reports for court in private proceedings are excluded from the statutory process. These and all other complaints about the council's Children, Schools and Families Department are dealt with under the council's corporate complaints procedure.

The guidance says every council must:

- Follow the process
- Chose the appropriate procedure
- Deal with complaints in a timely manner
- Make it a seamless service
- Look for a swift resolution.

In addition, the annual report about children's social care complaints must be made available to any person on request, and include the following data sets:

The number of complaints received: This is the total of the complaints whereby a formal complaint response is requested, or it can be implied that a formal complaint response is required. Not all complaints received result in a formal complaint investigation. Where we cannot formally investigate a complaint, the complainant will be advised, and signposted, where possible, to the correct procedure.

The outcomes of the complaints: There are generally four outcomes of a complaint, these are:

Upheld – where we agree with the complainant

Partially upheld – where we agree with the complainant in part, but not fully.

Not upheld – where we do not agree that there has been a service failure

Inconclusive – where we do not have evidence to conclude the complaint one way or another.

Whether the complaints were responded to in time: Whether the statutory timescales were kept to.

The number of complaints at each stage: Children’s statutory complaints have a three-stage procedure. The corporate complaints process has a two-stage process.

Under statutory procedure:

Stage 1 complaints are: investigated by service team

responded to by service team manager/head of service

required to be answered within 10 working days, although an extension to 20 working days is allowed.

escalated at the request of the complainant

have no time limit for escalation – (the council ask for escalations within 20 working days).

Stage 2 complaints are: investigated by external/independent investigator and overseen by external independent person.

responded to by Head of Service/Director

required to be answered within 25 working days which may be extended to 65 working days

Are escalated at the request of the complainant

Subject to a 20-working day limit for escalation

Stage 3 complaints are: referred to an external/independent review panel

Required that a panel is arranged within 30 working days.

Responded to by the chair of the review panel within 15 working days of the panel hearing

Escalated to the LGSCO at the complainant’s request

Subject to a one-year limit for escalation to LGSCO

Under corporate complaints procedure:

Stage 1 complaints are: investigated by the service team

Responded to by the service manager

Required to be answered within 20 working days

Escalation is subject to approval by The Complaints Team

Stage 2 complaints are: reviewed by the Complaints Team

Agreed by the service’s assistant director or director

Required to be answered within 25 working days

Escalated to LGSCO at complainant’s request.

Subject to a one-year limit for escalation to LGSCO

Complaints procedures at a glance

| | Statutory Procedure | Corporate Procedure |
|-------------------------------|---|--|
| Stage 1 | Yes | Yes |
| Investigated by | Service Team | Service Team |
| Deadline for response | 10 working days /20 days | 20 working days |
| Escalation | As requested by complainant | Subject to approval of Complaints Team |
| Time limit to escalate | No time limit | 25 working days |
| Stage 2 | Yes | Yes |
| Reviewed by | Independent Investigating Officer/ independent person | Complaints Team |
| Deadline for response | 25/ 65 working days | 25 Working days |
| Escalation | To stage 3 | To LGSCO |
| Time limit to escalate | 20 working days | One year |
| Stage 3 Review | Yes | No |
| Reviewed by | Independent panel | N/A |
| Deadline for response | 30 Working days | N/A |
| Escalation | To LGSCO | N/A |
| Time Limit | One year | N/A |

The number of complaints referred to the Local Government and Social Care Ombudsman: The Council will do its utmost to resolve complaints. However, if having received a complaint response at the final stage, the complainant remains unsatisfied, they may refer their complaint to the Local Government and Social Care Ombudsman. There are some circumstances whereby the LGSCO will accept an early referral.

Which customer groups made the complaints: This can be the child or young person, or another party with an interest in their well-being such as a parent, special guardian, foster parent etc.

The type of complaint made: This will include the team and service the complaint is about, and a summary of the issue.

Advocacy services provided: There are a number of advocacy agencies who can assist young people in getting their voice heard. Jigsaw 4 U is commissioned by London Borough of Merton for this purpose, but other advocacy services are also available.

Learning and Service Improvement: How issues identified through the complaints process have been or will be addressed in response to the findings.

A summary of the statistics about complainants: to include age, gender, disability, sexual orientation, and ethnicity of complainants.

A review of the effectiveness of the complaint procedure

This report is written to comply with The Children Act 1989, the expectations of the Local Government and Social Care Ombudsman and the Council's own Complaints, Comments and Compliments Policy.

Putting the data in to context

To put the data included in this report into context it is helpful to know that in 2021 -2022:

2,321 Children In Need (CIN) assessments were completed

198 children were in care/or had periods of time in care as defined by the Department of Education's statutory reporting criteria.

384 Looked After Children reviews were completed

294 Child Protection cases

Key points

It was expected that complaints would rise, following the relaxing of restrictions put in place during the coronavirus pandemic. During the course of the restrictions some services ceased or changed the way they were delivered. There has been an increase in the number of complaints through the Children's Statutory complaints procedure. However, a reduction was seen in the number of complaints regarding children's services and dealt with under the corporate complaint procedure.

- A total of 19 Children's Social Care complaints were received, this is an increase of 17 cases compared with the previous year 2020 – 2021, when only 2 cases were received.
- 8 (42%) of the statutory complaints were upheld or partially upheld at stage 1.
- 47% of stage 1 statutory complaints were responded to within the statutory target deadline. This is a decrease on the previous year when 100% of complaints were answered in time.
- 3 statutory complaints progressed to stage 2 of the statutory complaint process
- 2 complaints were partially upheld.
- At stage 2, no complaints were responded to within the statutory deadline.
- There were no escalations to stage 3 of the statutory complaints process
- 51 complaints were dealt with through the corporate complaint process, a decrease of 19%.
- 47% of corporate complaints about Children, Schools and Families upheld or partially upheld compared with 68% in the previous year.
- 53% were answered in time, although this does not meet the target of 90% - it is a significant improvement on the previous year when only 44% were dealt with in time.
- 10 (20%) Corporate complaints escalated to stage 2, which was a slight decrease in the proportion escalating when compared with 2020-2021.
- The LGSCO issued 9 final decisions, 7 were non statutory cases and 2 were statutory cases.
- 3 cases did not proceed to full investigation and were closed in initial stages.
- 5 Were upheld
- The other case was regarding the remedy of following final decision and referred to a remedy being completed and satisfied – this is not usually issued as a final decision.
- The Children. Schools and families' department received 15 compliments.

Dealing with complaints about Children's Social Care in the London Borough of Merton

In London Borough of Merton, Children's Social Care Complaints are managed as a function of the Complaints Team, who similarly manage and co-ordinate other types of complaint. These are corporate complaints and Adult's Social Care complaints. The team also co-ordinate enquiries made on behalf of residents by the Council's members.

In 2021, following a restructure, the Complaints Team moved to sit within the wider Communications Team with a new head of service and a new team manager. A review of the service took place and a number of improvements to the service have been implemented, with further enhancements planned.

The Complaints Team are knowledgeable in the handling of complaints and operate independently of other service teams. Although it is the responsibility of the Service Teams to respond to complaints. The team acts as an impartial conduit for complainants and the council's officers. They remain available to both throughout the duration of a complaint, providing guidance throughout the process.

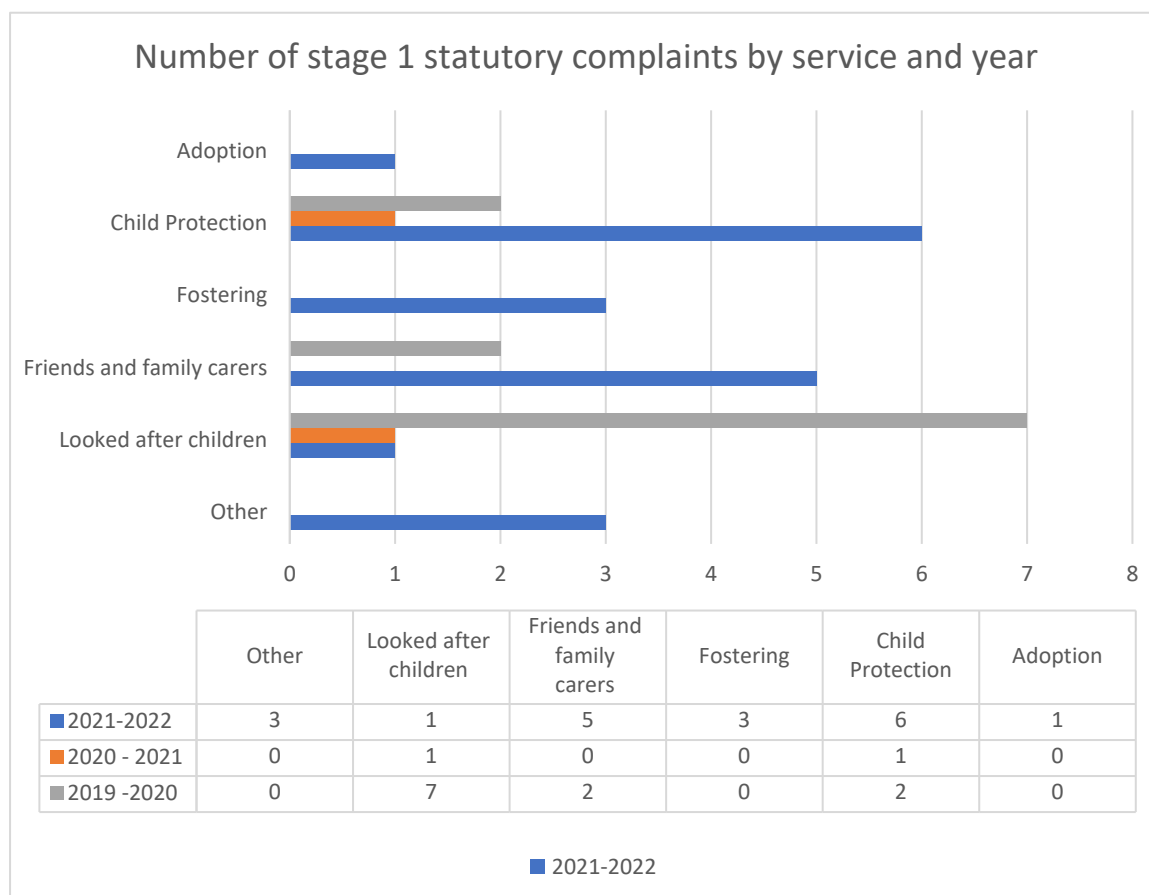
The Complaints Team Manager is also the link person for the Local Government and Social Care Ombudsman.

An important function of the Complaints Team is to collect and collate data from feedback received. This assists the council in preventing recurring complaints, identifying training needs and updating policies and guidance.

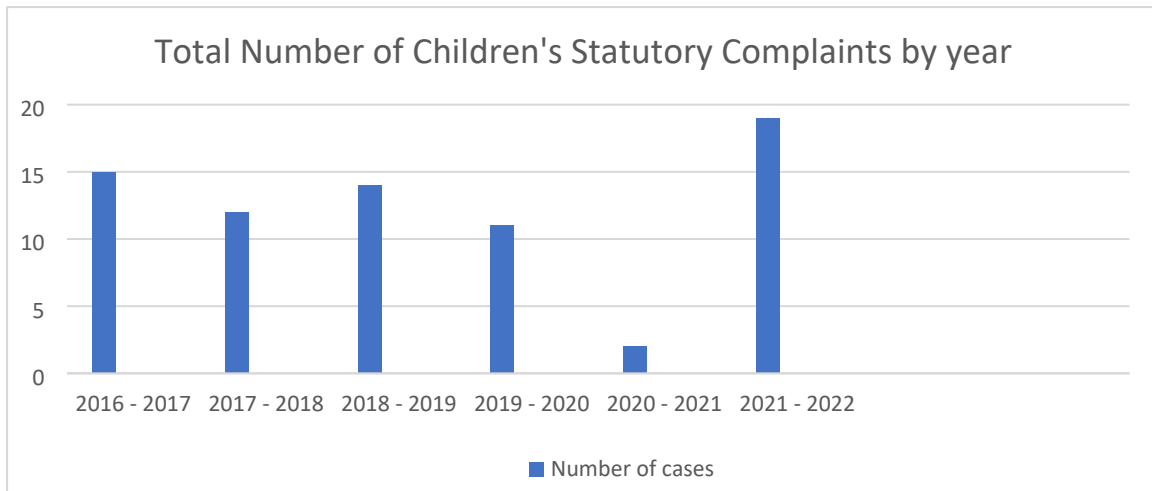
Unlike other types of complaint, complaints about Children's Social Care complaints are dealt with in a three-stage process, and once escalated, rely on investigations from outside of the council. Having completed this process, the complaint maybe referred to the Local Government and Social Care Ombudsman if the complainant remains unsatisfied.

Number of complaints received

The Council received 19 statutory complaints regarding Children’s Social Care, these are broken down into teams as follows:

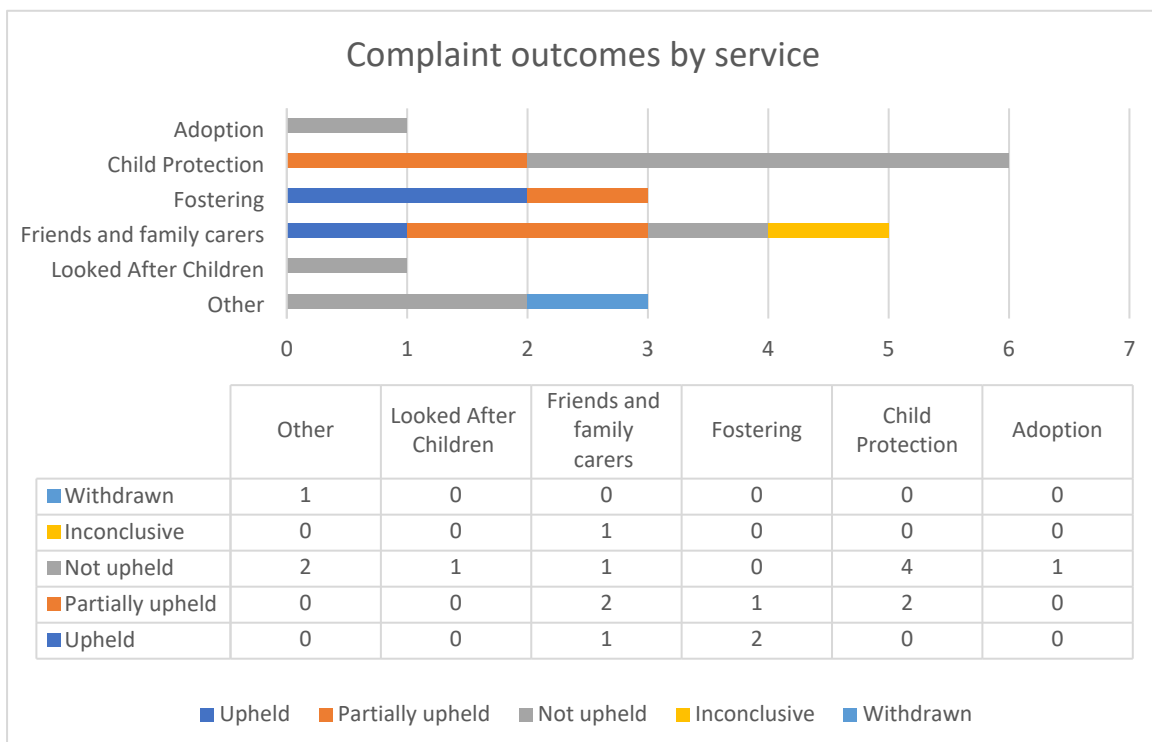


The coronavirus pandemic has had a profound effect on the number of complaints received. A significant drop was seen across almost all council services in the year 2020-2021. With the number of statutory complaints received in the last auditing year amounting to just two cases, no useful comparisons can be made between the numbers recorded in 2020 -2021 and 2021 - 2022. However, the year before (2019-202) saw 11 complaints. The year 2021-2022 saw a jump in the complaints to 19 cases. However, when averaged across the last three years there has been a mean average of 11 complaints per year. Therefore, it could be argued that some complainants have waited until 2021-2022 to submit complaints. This would follow the trend for the past six years, during which the numbers of complaints received have remained fairly stable.



Complaint outcomes

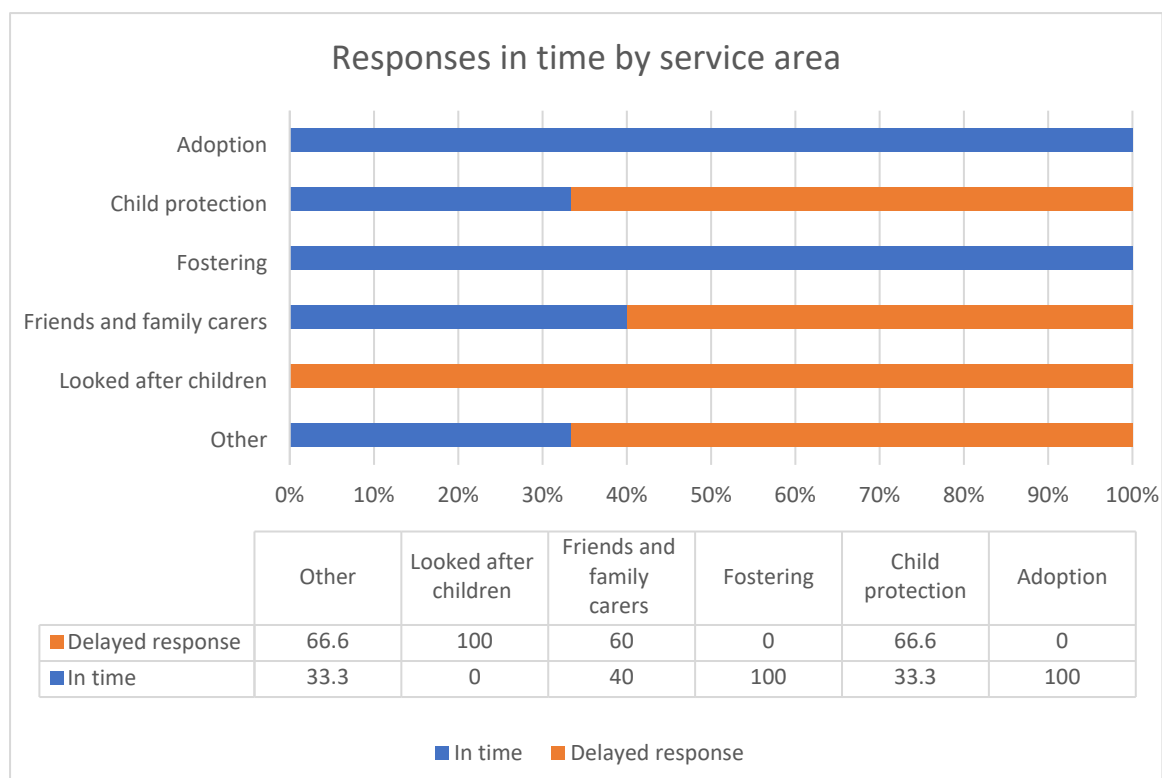
Of the 19 complaints submitted, 3 (16%) upheld, 5 (26%) were partially upheld and 9 (47%) were not upheld. 1 (5%) complaint investigation was inconclusive 1 (5%) complaint was withdrawn during the process.



Child Protection has received the most complaints but only two cases partially upholding, compared with six submitted.

The areas with the most upholds are Fostering and Friends and Family Carers.

Complaints responded to in time



Number of complaints escalating to stage 2

| | Total | Upheld | Partially upheld | Not upheld |
|----------------------------------|--------------|---------------|-------------------------|-------------------|
| Adoption | 1 | 0 | 1 | 0 |
| Child Protection | 1 | 0 | 1 | 0 |
| Friends and family carers | 1 | 0 | 0 | 1 |
| Total | 3 | 0 | 2 | 1 |

Escalations to stage 3

No complaints escalated to stage 3 in the year 2021 -2022

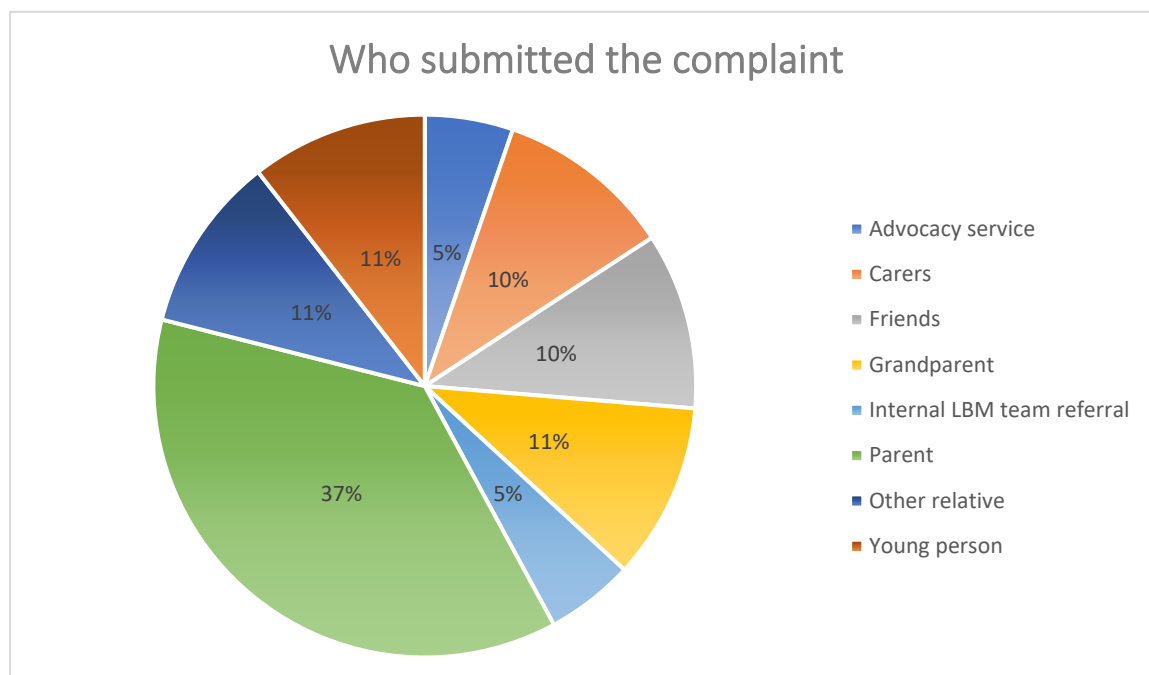
Escalations to Local Government and Social Care Ombudsman (LGSCO)

The LGSCO states that 10 complaints were escalated to LGSCO regarding London Borough of Merton’s children’s services. The LGSCO does not fully investigate all cases that are referred to it. The LGSCO issued nine final decisions in the year 2021-2022.

| Outcome of final decision | Number of cases | Case references | LGSCO Category |
|--|-----------------|--|--|
| No investigation – out of jurisdiction | 2 | 20 009 719 21 006 143 | Child protection Special Educational Needs |
| Not for investigation | 1 | 21 009 043 | Child Protection |
| Upheld: Fault and injustice | 5 | 20 013 681 21 001 651 21 010 242 21 004 099 20 010 409 | Adoption Child Protection Other Looked after children Covid 19 |
| Remedy complete & satisfied | 1 | 21 001 651 | Child Protection |
| Total | 9 | | |

The full case outcomes of the cases summarised above are available on the LGSCO website [Decisions - Local Government and Social Care Ombudsman](#). The case numbers can be typed into the search facility.

Breakdown of who brought the complaints



Although parents submitted the greatest number of complaints, their submissions only account for just over a third of the complaints submitted. Just under two thirds of complaints were submitted by other stakeholders including the young people at the heart of the complaints, other relatives,

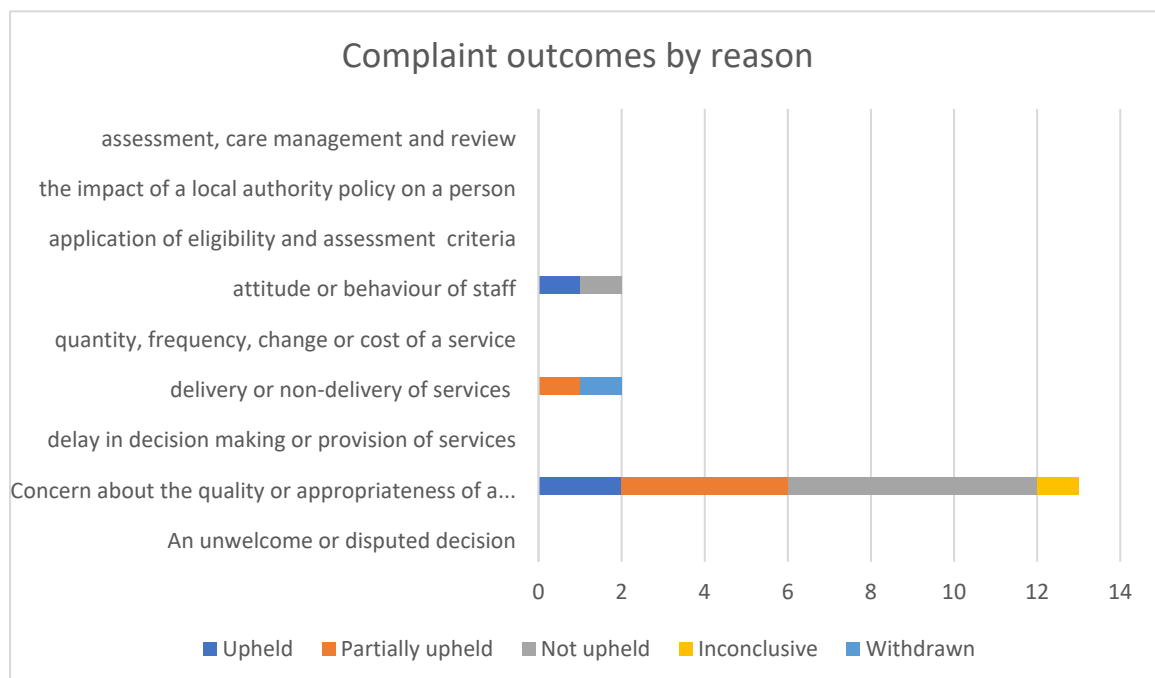
friends, carers and advocacy services. One third of complaints were submitted by people outside of the child/young person’s family group.

Reasons for complaint

The guidance, ‘Getting the Best from Complaints – Social Care Complaints and Representations for Children, Young People and Others’ issued by the Department for Education and Skills identifies eight main reasons for complaint.

These are:

- **An unwelcome or disputed decision:**
- **Concern about the quality or appropriateness of a service:**
- **Delay in decision making or provision of services:**
- **Delivery or non-delivery of services including complaints procedures**
- **Quantity, frequency, change or cost of service:**
- **Attitude or behaviour of staff**
- **Application of eligibility and assessment criteria**
- **Impact of the application of a local authority policy on service user**
- **Assessment, care management and review.**



Advocacy Services

The council commissions the advocacy service Jigsaw 4 U to support children and young people through a number of processes and interactions with the council. Only one complaint was submitted via the advocacy service in 2021 – 2022. However, Children’s complaints that were dealt with through the corporate complaint channel came via four advocacy services : Sunshine Support, Headstart Advocacy, Jenny Maher Special Needs Advice and Advocacy and Cafcass.

Learning from complaints

| Team | Learning from complaints |
|---|---|
| Complaints, Adoption, Child Protection, Fostering, Looked After children | <ul style="list-style-type: none">• Staff training to ensure staff dealing with complaints are aware of the circumstances when the statutory complaints process should be used for children’s social care complaints. |
| Adoption | <ul style="list-style-type: none">• Review guidance on Adoption Allowances and Support to ensure it is clear on the financial support that is available and when |
| Adoption | <ul style="list-style-type: none">• Brief relevant staff including those in the Adoption Agency of the procedure for requesting financial support |
| Fostering | <ul style="list-style-type: none">• Improve guidance available to foster carers around care of older young people to include responsibility for mail, keys etc |

Demographics

Data regarding the characteristic of complainants has not been collected. We are not able to report on the age, gender, disability ethnicity etc of the service users who have made complaints.

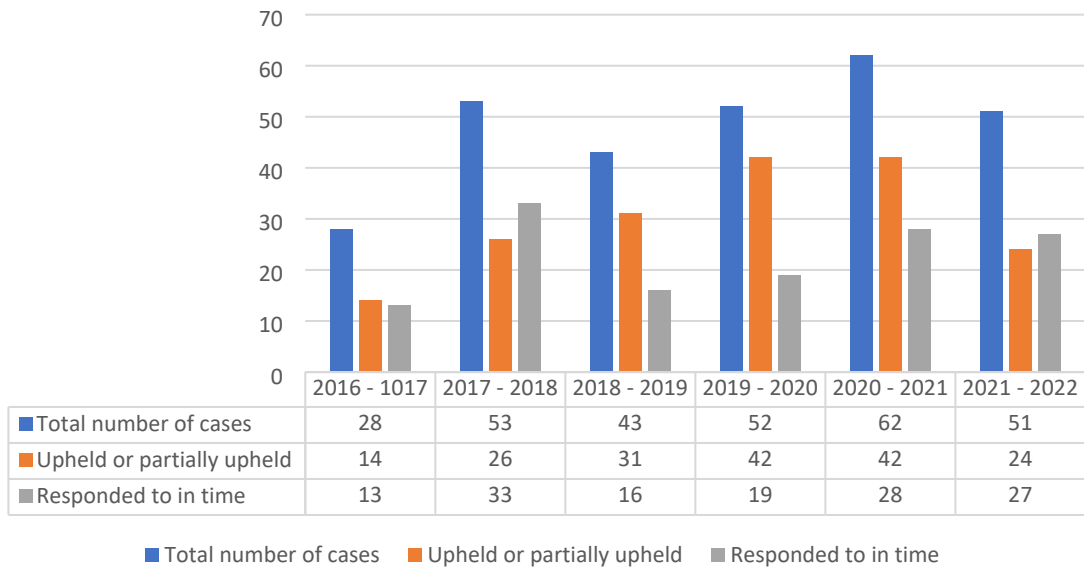
Corporate Complaints

In 2021-2022, the Complaints Team received 51 complaints regarding children’s services that were dealt with through the corporate complaint channel.

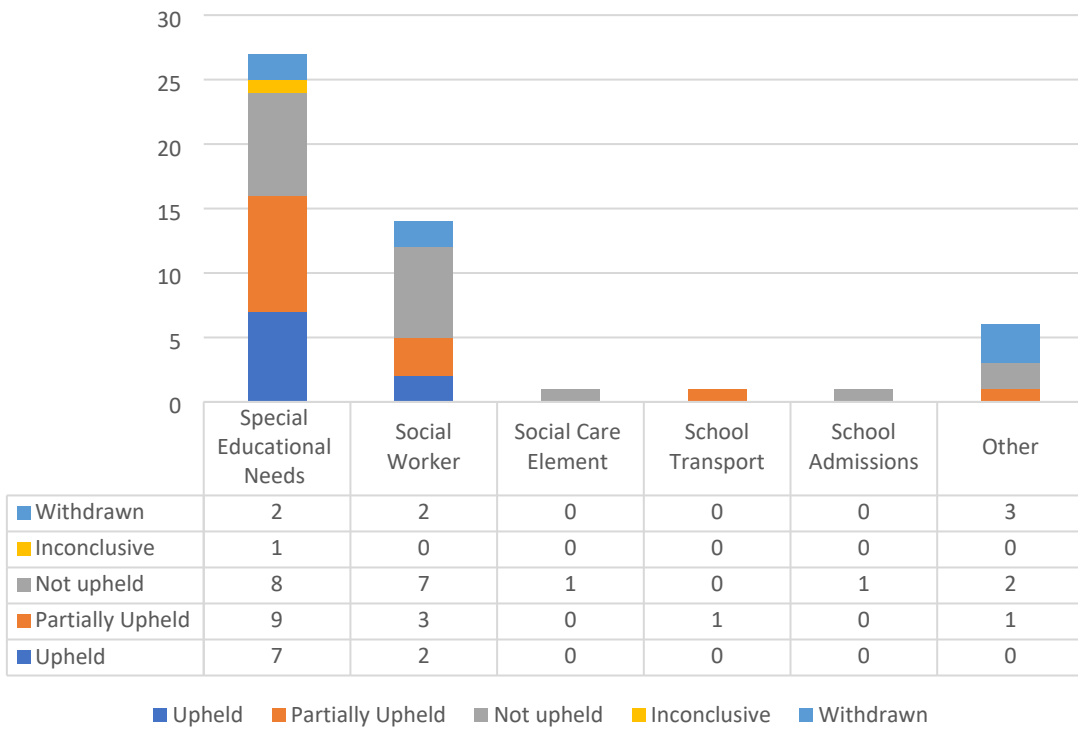
The indicators are positive as the data comparisons with the previous year show:

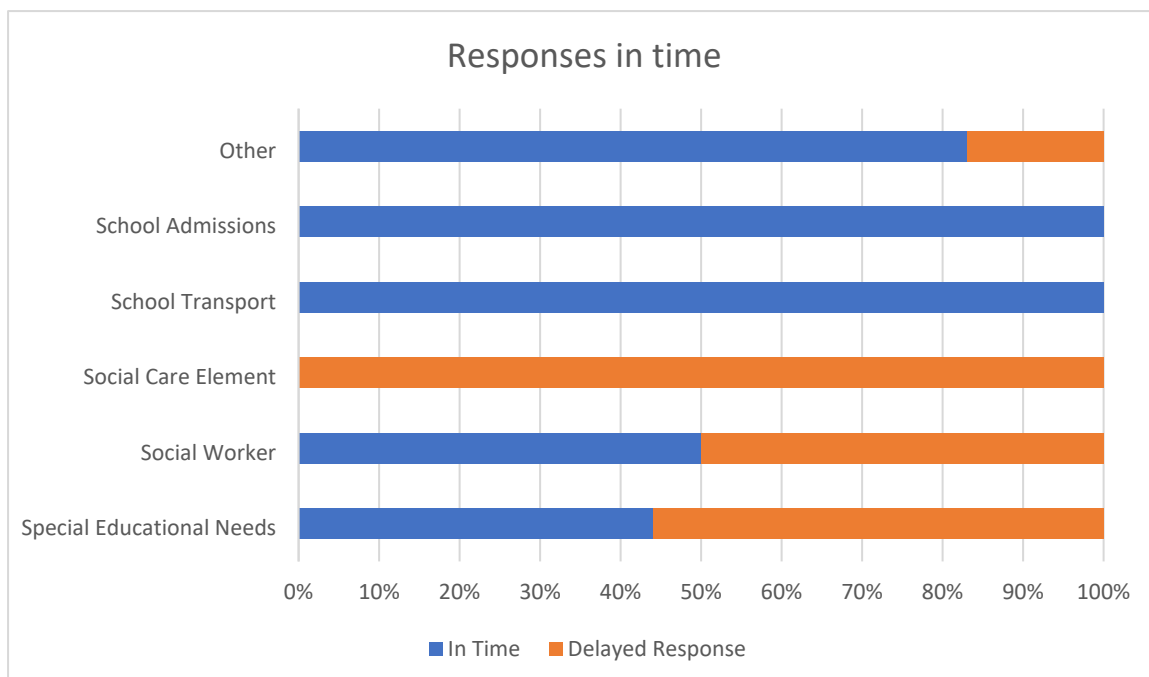
- A reduction in the number of complaints received (18% decrease in number of complaints)
- Proportionally less complaints being assigned an upheld or partially upheld outcome. (43% decrease in number of complaints fully or partially upholding)
- An increase in the percentage of complaints being responded to in time. (In 2021-2022 47% of complaint were answered in time, compared with 45% in 2020 -2021).

Snapshot of complaint outcomes/performance by year



Corporate Complaints by Team and Outcome





Compliments

The council encourages all types of spontaneous feedback from those using its services. Children, Schools and Families received 15 compliments in the year 20221-2022, highlighting good practice and individuals who have gone above and beyond.

| | |
|------------------|---|
| Team | Compliment |
| Child Protection | <i>"My first contact with _____ was not long after our Mum and brother passed away 3 years ago.</i> |

_____ has always done her best for my brother and sister despite having what I imagine is a huge workload.

_____ has always done her best for my brother and sister despite having what I imagine is a huge workload.

She always returned my calls and emails and when she said she'd chase something up or find out more information she always did.

_____ and I had a good relationship and we both want the best for my siblings. I'm so grateful for _____'s help with their relocation specifically as this was a huge undertaking and _____ did her best to support us with this and in particular was keen to take on some responsibility for certain things during the process to help me so I could concentrate on other aspects of the move.

_____ went above and beyond for us and in what sometimes was a fairly difficult situation, she still maintained her involvement and support throughout.

Now that my siblings have relocated we will still keep in touch with _____, so they can tell her all about their new lives.

October 2021

| | |
|---------------------|---|
| Family & Adolescent | <i>"I just wanted to extend my compliments for the hard work undertaken by _____ and _____ during the course of their very new involvement with the _____ Family. We were able to step down at RCPC today, and the family were very complimentary about _____'s work with them and her ability to engage with the children in the way she has."</i> |
|---------------------|---|

May 2021

"Good afternoon, _____. Was just calling to say thank you. It feels like all the assistance you have given to _____ and to us is paying off well. We do hope to see it continue, and we're always ready to support which ever way we can. Thanks again"

June 2021

I just wanted to acknowledge that having _____ on board makes my life easy!

It is refreshing to see professionalism and a calm and logical approach to situations that present themselves.

I have attended two CIN meetings over the last 2 days with VERY different families and complexities, but I am impressed but such a levelheaded and calm approach.

We don't often take the time to acknowledge or inform each other of what we think of them and their work and I believe _____ has already used the word 'invaluable' to describe the work and support that is provided.

I cannot think of a word to surpass that!

October 2021

_____ 's mother was complimentary about the service she received from you. I would like to share her views which were as follows:

- Initially my idea of the support I needed was different to what I received. I was unhappy with the school's negativity on occasions, but the social worker was amazing and I was happy with the service I received.*
- Jennifer was brilliant! I could contact her whenever I needed to and if she was not available, she would always get back to me.*
- She made things clear and made me aware of things I did not even know we were entitled to. I did not feel alone and I felt I was able to pick up the phone and talk to her.*
- She really was good and the best out of all the social worker's I have dealt with. No, I do not think that there could have been anything further which could have been done to improve things in our case.*
- She made a difference. She knew what she was doing. This is what I needed, at a time when my husband and I went through a difficult period and separated. I needed this for my own mental health.*

February 2022

"Hi _____

I hope you are well.

Many thanks for the completion of the SW report for _____'s First CLA.

I would like to complement you for the hard and quality work so far with _____ . Also for the comprehensive , thorough and reflective report written in a child/YP friendly way. The report was completed a few days prior the CLA meeting which is great and your manager signed it off. Thanks both."

March 2022

LAC

"_____ recently had an interview for a part time management position in a Covid testing facility. _____ supported him to prepare for the interview and he was provided with financial assistance by the 14+ team to buy a suit and get a haircut. He was successful in interview and has accepted the position. The company have also already indicated that they would like to keep him on once the current Covid contract ends as they have a position for him in events management. Glen has advised that he was very grateful for the support. He is an intelligent and motivated young man and is thriving with the support of his PA, _____ ."

May 2021

Safeguarding

"I am emailing in praise of a member of your team, _____. She has been working with the family of one of my students, _____.

I've been really impressed with how well Tanya formed a positive working relationship with the father, which we struggle with a lot. _____ and I spoke today and as she described the work she's been doing with the family, I was bowled over by how well she seems to have judged the situation and got the parents on board (particularly the father) and achieved what seem to be some phenomenal outcomes. Things seem much brighter for _____ as a result and I'm so pleased about that. I also really appreciated Tanya speaking with me today on her study day.

If I need to refer another young person to Merton, I sincerely hope I end up working with _____ again. I also hope this email helps with any appraisal process she may undergo - I can't speak highly enough of the approach she has taken in this case and the work she has done."

August 2021

Special
Educational
Needs

"Many thanks for providing such a detailed breakdown of the plan for CKM and costs involved with his education now and for September 2021. It is extremely helpful to see information passed on like this and in advance. It is unusual that we come across communication from a borough who retains administrative responsibility of one of LACs EHCP be so efficient."

May 2021

"I just wanted to feedback that we had a looked after review for the S family today and the family were grateful and complimentary about _____'s work with the family.

They found her intervention helpful, she communicated well with the family and they found her reliable, in that she followed up on things and did what she said she would do. It was clear the family felt well supported by _____.

_____ has worked hard with this family and I have also appreciated her good communication and her knowledge of the children and the family situation. Thank you so much for ringing earlier and for all you have done over the many years you have been case worker for _____ and _____. It really has made such a difference and you have made it all a much easier journey and are always so supportive and great communication. “

May 2021

“Thank you so much for ringing earlier and for all you have done over the many years you have been case worker for _____ and _____. It really has made such a difference and you have made it all a much easier journey and are always so supportive and great communication.”

September 2021

“You have been amazing. Thank you for all the help and support you have given us over the years. I really appreciate everything you have done. My family will miss you very much. You have been our tower of strength for us.”

October 2021

“I just wanted to email you to thank you for all of the help that you have given us in the past.

Absolutely gutted that you are not our case officer anymore but these things cannot be helped.

Just to let you know that I was at an NAS Merton meet up (made up of local mums) and someone asked me who our case worker was. When I said your name they replied that you are the best case worker in Merton. Just wanted to let you know that you are appreciated.

Thanks again for all of your previous help.”

December 2021

You are by far the most efficient caseworker we've worked with and we will miss you. Thanks for everything you have done this year and thanks for knowing the kids more than them being a piece of paper, it means a lot.

July 2021

Effectiveness of the complaint procedures

It has been established that no stage 2 complaints following the statutory procedures have been responded to within the statutory time limits. There have been issues with securing independent officers to carry out the investigations, and work carried out has been of varying standards. To rectify this issue the Complaints Team has engaged with RRC, a company who find, locate and train independent investigating officers specifically for the purpose of investigating statutory complaints.

With a wide database of officers available, they are able to quickly assign cases and reduce delays. It is hoped that this process will become a lot more efficient and effective as a result.

The role of the Adjudicating Officer has also been identified as an area of weakness in the stage 2 process, and therefore, training options are being looked at to provide managers with training to increase their confidence whilst acting in this role.

There has been an initial review of the complaint resolution service. As part of the review a number of high-level recommendations were made. These were:

1. A revision of the Complaints, Comments and Compliments Policy should be carried out
2. Improve access to the Complaint Service
3. Introduce a case management System
4. Additional staff resource for the Complaints Team
5. Support culture change in attitudes to complaints

1. A revision of the Complaints, Comments and Compliments Policy should be carried out

The Complaints Policy has been reviewed and further recommendations have been made to make the policy clearer. A new document has been drafted to sit alongside the policy with comprehensive complaint handling guidance to be made available to all staff. This high level recommendation will be finalised once some of the other recommendations have been completed.

2. Improve access to the Complaint Service

The Complaints Team has approached the council's Participation and Engagement manager to engage with Merton's Children in Care Council – called "Our Voice". Our Voice is a group of young care leavers who now engage with the council to input into services. Two questions were posed to the young people with respect to the complaints process:

1. How can we reach young people, so that they know there is a complaints process?
2. How would they want to contact us?

They came back with the following responses:

How can we reach young people, so they know there is a complaints process?

- Promoting the complaints through Jigsaw
- Having social workers/support staff inform them of the complaints process
- Having the complaints process advertised on care guide
- Having the complaints process made known in meetings like PEP meetings and reviews
- Having the complaints process on the bottom of forms
- Encourage feedback good or bad

How would they want to contact us?

- Being able to go straight to the person (complaints team) face to face (in civic)
- Phone, text, email, social media

- Go through Jigsaw
- Through the Merton website
- Other suggestions were
- Using online forms (One that gets emailed back to you so you have a copy of it)

Other suggestions were

- Using simple language in the complaint form
- Having set questions
- Having someone support/help with filing a complaint

The Complaints Team will now work with the wider Communications and IT teams to develop these suggestions.

3. Introduce a case management System

The Complaints Team are working with the IT team and Infosys to develop a Microsoft Dynamics based case management system. This project includes:

- A webform for submitting complaints – which will help us to capture the information required to fully investigate a complaint at the first point of contact, we will also request the characteristics of the complaint, which is a data set missing at present.
- The complaints form should be accessible across a range of devices such as mobiles, tablets, laptops and in hard copy.
- Improved reporting and tracking of complaints and resolutions
- Ability to link complaints to gain full picture.

4. Additional staff resource for the Complaints Team

A new, full-time, Complaints Officer has been recruited into the Complaints Team. All Complaints Officers will receive training in Children's Statutory Complaints handling.

5. Support culture change in attitudes to complaints

The Complaints Team has done a huge amount of work to change its image within the Council, and to raise its profile as a support to residents and service teams.

The way in which complaints are received and acknowledged has been revised. Complainants now receive a document with a detailed summary of their complaint points. They are invited to check the complaint points and discuss any amendments prior to investigation.

Service teams now have clarity over the points to be investigated and have access to in person or video guidance to complete complaint responses.

All complaint responses are quality checked and sent out via the complaints team mailbox, which helps to prevent escalations.

Service Teams are encouraged to consider lessons to be learned through complaints.

The Complaints Team run Team Development Sessions every week, to which other services are invited to take part.

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Committee: Standards and General Purposes Committee

Date: 19 July 2023

Subject: Local Government Act 1972, Section 85 (1): Approval of Absence

Lead officer: Louise Round, Managing Director, South London Legal Partnership

Lead member: Councillor Ross Garrod, Leader of the Council

Contact officer: Amy Dumitrescu, Democracy Services Manager

Recommendations:

That, in the event that Councillor Dennis Pearce is unable to attend a meeting of the authority before 13 September – 13 March 2024, approval is given to the absence for reason of ill-health.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. This report asks the Committee to acknowledge the possibility of Councillor Dennis Pearce's non-attendance at meetings of Merton Council for the period 13 September – 13 March 2024 and to approve the absence for reason of ill-health.

2 DETAILS

2.1. Due to ill-health Councillor Dennis Pearce has not to date been able to attend a meeting of the authority since 17 November 2022 when he chaired a meeting of the Borough Plan Advisory Committee. The Council was required to consider this matter prior to the expiration of the six month period up to 17 May 2023.

2.2. The Council agreed at its meeting on 19 April 2023 that the absence of Councillor Dennis Pearce was approved for the period until 13 September 2023. The Committee is requested to consider whether a further shorter period of absence is appropriate to be approved in this case.

2.3. Under section 85 of the Local Government Act 1972, if a Councillor does not attend any relevant meeting for a period of six months, they automatically cease to be a member of the Council unless before the expiry of that period the authority has approved the reason for that absence. There is no prescribed time limit to how long the approved absence can be for.

2.4. It is not currently possible at this stage to say whether Councillor Pearce will be able to attend any meetings in person within the near future so the Committee is being asked agree that if he is unable for reasons of ill health to attend another meeting between now and the 13 March 2024, such absence will be authorised. Whilst remote attendance is possible, such attendance does not count for the purposes of section 85.

2.5. It is noted that whilst Councillor Pearce will attend meetings wherever possible either in the Council Chamber or remotely, in the event this is not possible this approval will come into force.

2.6. The legal provision is detailed at paragraph 7.1.

3 ALTERNATIVE OPTIONS

3.1. It is the responsibility of the Council to consider this matter and agree the reason for absence.

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. None for the purpose of this report. Councillor Pearce has been advised of the content of this report.

5 TIMETABLE

5.1. Council is required to consider this matter prior to the expiration of the period detailed in this report.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. None for the purpose of this report.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. Section 85(1) of the Local Government Act 1972 (LGA) prescribes:

“...if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.”

7.2. The power to approve a reason for failure to attend a meeting (which in effect allows a Councillor a leave of absence) is not one which is required by law to be reserved to Full Council. The terms of reference for the Standards and General Purposes Committee include the power “to determine all other matters which are non-executive functions and which are not otherwise reserved to Council are not within the terms of reference of any other committee and which are not delegated to an officer”. This is sufficiently wide to allow this Committee to agree the recommendations without reference to full Council.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. It is understood that Councillor Pearce has been apprised of the position as detailed in this report.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purpose of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purpose of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- None

12 BACKGROUND PAPERS

- [Council Report April 2023](#)

Standards and General Purposes Committee Forward work plan

September

- Internal Audit progress report on annual audit plan
- External Audit progress reports
- 22/23 Annual Complaints Report
- Temporary and Contract Staff and Demographics update
- Work programme

November

- External Audit Annual Letter
- Internal Audit progress report on annual audit plan
- Final Accounts
- Fraud Update Report
- Annual Gifts and Hospitality report (members)
- Annual Gifts and Hospitality report (officers)
- Risk management
- Work programme

March

- External Audit Certification of Claims report
- External Audit progress report
- External Audit Plans for Council and Pension Fund accounts
- Internal Audit Plan
- Internal Audit progress report
- Update on RIPA authorisations
- Temporary and Contract Staff update
- Work programme

June/July

- Annual Governance Statement
- Internal Audit Annual Report

- Complaints against Members
- Annual Complaints Report 23/24
- Work Programme

Add as required:

- Polling Places
- Constitutional amendments
- Review of members' interests
- Independent / co-opted members (September '24)
- Reports on dispensations issued by Monitoring Officer
- Report on payment exceeding £1000 as a result of maladministration as directed by the LGO.
- Revisions to Contract Standing Orders (July '23)
- Freedom of the Borough (recommendations from working group)