

# Agenda Item 3

## STANDARDS AND GENERAL PURPOSES COMMITTEE 8 NOVEMBER 2018

(7.16 pm - 8.30 pm)

PRESENT Councillors Councillor Peter McCabe (in the Chair),  
Councillor Adam Bush, Councillor Eloise Bailey,  
Councillor Thomas Barlow, Councillor Ben Butler,  
Councillor Brenda Fraser, Councillor Joan Henry,  
Councillor Dickie Wilkinson, Councillor Dave Ward, Councillor  
Marsie Skeete and Councillor David Williams

ALSO PRESENT Suresh Patel (Ernst and Young)  
Simon Mathers (Ernst and Young)  
Pam Donovan (Independent Person)

Caroline Holland (Director of Corporate Services), Paul Evans  
(Assistant Director of Corporate Governance), James McGinlay  
(Assistant Director for Sustainable Communities), Roger  
Kershaw (Assistant Director of Resources), Kevin Holland (Head  
of South West London Fraud Partnership), Andrew Hamilton  
(Audit Manager), Karin Lane (Head of Information Governance),  
Steve Bowsher (Chief Accountant), Meijia Ling (Senior  
Accountant, General Fund), Kim Brown (HR Lead), Amy  
Dumitrescu (Democratic Services Officer)

### 1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from Councillors Pauline Cowper, Agatha Akyigyina and John Dehaney. Councillors Dave Ward and Marsie Skeete attended as substitutes.

### 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 6 September 2018 were agreed as a correct record subject to the following amendment at the request of Councillor Adam Bush:

*That Councillor Omar Bush and Oonagh Moulton who attended as substitutes be added to the members present list at the start of the minutes.*

### 4 FINAL ACCOUNTS 2017/18 (Agenda Item 4)

The External Auditors presented their report, advising the Committee that, subject to discussion at the meeting, the audit had now been concluded and if agreed, the accounts would be signed the following day. The External Auditor outlined two unadjusted audit differences as mentioned in the report, however noted that they agreed with the Director of Corporate Service that these were not material to the accounts. The External Auditor also highlighted the amendments that had been made to the asset values following the audit of the property, plant and equipment balance.

The External Auditor had also made four other observations and advised the Committee that they were content with the responses they had received from officers on these.

The External Auditor gave an overview of the final fees, which had been agreed with the Director of Corporate Services, and also advised on an additional three recommendations which had been made, noting they were happy with the management response and would be looking at actions for 2018/19, with a meeting planned with the Finance department in early December.

In response to member questions, the External Auditor advised that the additional fees reflected the additional work which had been undertaken due to the issues which had been reported, however if the suggested actions were implemented, this should not re-occur for the 2018/19 accounts and External Audit were working closely with officers on the 18/19 accounts.

The Committee expressed that this should not re-occur, and were assured in response to further questions that there was sufficient resource to complete the work required.

In response to further questions to the issues arising on property, plant and equipment, the External Auditor advised that a more granular approach had been taken this year which had found the material errors which led to adjustments being made. The External Auditor also advised that the £9,000 spend responding to a member of the public was in relation to questions they asked about the Council's transaction with the Elim Church. The auditor had determined no issues with that transaction in relation to the questions asked by the member of the public.

#### RESOLVED:

1. That Committee approved the audited Statement of Accounts, including the Group Accounts and the Pension Fund Accounts (Appendix 2), subject to any further comments from the External Auditor.
2. That Committee noted any comments made by the Pensions Fund Advisory Panel regarding the Pension Fund Accounts.
3. That Committee noted EY's Audit Results Report (Appendix 4) for the Pension Fund accounts under the International Standard on Auditing (ISA) 260.
4. That Committee noted EY's Audit Results Report (Appendix 3) for the Statement of Accounts under the ISA 260.
5. That the Chair signed the Statement of Responsibilities for the Statement of Accounts (Appendix 2).

6. That the Chair signed Letters of Representation (Appendices 3 and 4) for the Statement of Accounts and Pension Fund Accounts.

5 INTERNAL AUDIT PROGRESS REPORT ON ANNUAL AUDIT PLAN  
(Agenda Item 5)

The Audit Manager presented the report noting that just over 50% of the work had been completed, with 15 audits resulting in substantial assurance and 2 with limited assurance and 7 additional reviews also having taken place. In regards to the 6 overdue actions these had been escalated to directors.

Members expressed concern that the areas of limited assurance were areas which had been re-occurring issues previously and officers advised that a report would be brought to a future Committee to advise members how this re-occurrence would be prevented going forward.

RESOLVED: That members noted the report and commented upon matters arising from the Internal Audit Progress Report.

6 FRAUD AND INVESTIGATIONS UPDATE REPORT (Agenda Item 6)

The Head of South West London Fraud Partnership presented the report, advising that as well as the reactive work the team also had been providing training and that there was currently online fraud training for officers being undertaken across the Council, which might produce an increase in referrals.

In response to member questions, the Head of South West London Fraud Partnership advised that in regards to blue badge fraud, proactive work was being undertaken in hotspots such as stations and colleges.

RESOLVED: That members noted the Fraud Progress Report and commented on the matters arising from it.

7 ANNUAL COMPLAINTS REPORT (Agenda Item 7)

The Head of Information Governance presented the report and invited questions from members.

In response to questions, the Head of Information Governance advised that in relation to complaints for this year, there had been a significant increase in contact the last month in relation to a whole range of issues relating to the new Waste Collection Service roll-out. It was confirmed there was a standard procedure for dealing with these complaints and that there had been meetings to learn from the London Borough of Sutton experience in 2017. The Complaints team have an extra member of staff and to help with the increase and additional staff had been placed in the Contact Centre ahead of the Merton roll-out.

In response to further questions, the Director of Corporate Services advised that officers were looking to make it easier to find the appropriate information and

reporting channels on the Council website and the number of abandoned calls was also being monitored.

RESOLVED: That the Committee noted the report.

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

The Assistant Director for Corporate Governance presented the annual report and the Committee noted the extract from the register.

RESOLVED:

- A. That the Committee noted the report
- B. That members were reminded of their responsibility to complete declarations of gifts and hospitality including reasons for acceptance.

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

The Assistant Director for Corporate Governance presented the report and the Committee noted the extract from the register.

In response to questions, the Assistant Director advised that staff were reminded of their responsibilities to complete declarations once a year via information cascades.

RESOLVED:

- A. That the Committee considered the extract from the register.

#### 10 RISK MANAGEMENT (Agenda Item 10)

The Director of Corporate Services presented the report advising that regular updates were provided by officers.

RESOLVED:

- A. That the Standards and General Purposes Committee reviews the adequacy of the risk management framework and the associated control environment.
- B. To consider the Key Strategic Risks and Issues faced by the Council and determine whether these are being actively managed.

#### 11 APPOINTMENT OF INDEPENDENT PERSON (Agenda Item 11)

The Democratic Services Officer presented the report and highlighted the recommendations.

RESOLVED:

That the Standards and General Purposes Committee noted the progress of the process to appoint an independent person and agreed that an interview panel comprising one councillor from each political group should be appointed to interview and to recommend to Council the appointment of one Independent Person to serve for a period of three years.

#### 12 COMPLAINTS AGAINST MEMBERS (Agenda Item 12)

The Committee noted a verbal update from the Monitoring Officer who advised that one complaint had been considered by the Monitoring Officer and Independent Person concerning an enquiry to a Councillor from a member of the public relating to Council Policy. The enquiry had been forwarded to a Council Officer however a response had not been received. The Monitoring Officer considered that this was not a conduct matter for the Councillor concerned however a response was required to be sent to the resident and this had been actioned however there was no need to further investigate the Councillor.

#### 13 WORK PROGRAMME (Agenda Item 13)

The Work Programme was noted and agreed.

#### 14 EXCLUSION OF THE PRESS AND PUBLIC (Agenda Item 14)

RESOLVED: That the public were excluded from the meeting during consideration of item 15 on the grounds that it is exempt from disclosure for the reasons stated in the report.

#### 15 TEMPORARY AND CONTRACT STAFF UPDATE (Agenda Item 15)

The HR Lead presented the report advising that staff were continuing to review usage and work with departments to reduce numbers of temporary workers and consultants. The HR Lead noted that the number of interim staff had reduced and that 49 staff temporary staff had now transferred to permanent employment.

RESOLVED:

That members noted the progress made to monitor and control the use of temporary workers and consultants.

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