

Runnymede Borough Council

STANDARDS AND AUDIT COMMITTEE

9 June 2009 at 7.30 pm

Members of the
Committee present: Mr S Tully (Chairman), Mrs C Spurling (Vice-Chairman) (Independent non-elected Members), Councillors A J Davis, R J Edis, Mrs C E Gant, Mrs L M Gillham and A P Tollett.

Members of the
Committee absent: None

47. ELECTION OF CHAIRMAN

RESOLVED that –

Mr S Tully was elected as Chairman for the Municipal Year 2009/10.

48. ELECTION OF VICE-CHAIRMAN

RESOLVED that –

Mrs C Spurling was elected as Vice-Chairman for the Municipal Year 2009/10.

49. FIRE PRECAUTIONS

The Chairman read out the fire precautions.

50. CHAIRMAN'S ANNOUNCEMENT

The Chairman welcomed new Members and expressed his thanks on behalf of the Committee to former Councillor I O Angell for his service to the Committee.

51. MINUTES

The Minutes of the meeting of the Committee held on 10 February 2009 were confirmed and signed as a correct record.

52. DRAFT ANNUAL GOVERNANCE STATEMENT FOR 2008/09

(Ref: Minutes of Standards and Audit Committee, 10 February 2009, page 754, para 486)

The Committee considered the draft Annual Governance Statement (AGS) for 2008/09, noting that it would be presented to the Corporate Management Committee on 25 June 2009 as part of the approval process for the Statement of Accounts.

Members' comments were invited on the Statement, which would be referred to the Corporate Management Committee.

The Committee reviewed the extent to which governance arrangements were complied with, how their effectiveness was monitored, and any planned changes in the coming year. It was confirmed that the AGS related to the system of internal financial control as it applied during the financial year 2008/09.

Members recalled that the AGS for Runnymede in 2007/08 identified no significant internal control issues. Instead it identified areas where improvement would be useful or where significant risk was apparent. The areas that required further action were:

1. Risk Management

2. Revenue saving targets and efficiency savings
3. Partnership working
4. Business continuity planning
5. The internal control risks of moving into the new Civic Centre
6. Establish appropriate internal controls surrounding new ways of working, in particular the desire to minimise use of paper records

Members were pleased that good progress had been made on the governance issues that might have surfaced following the move to the new Civic Centre and noted the removal of "Revenue saving targets" from the Action Plan as it was more properly categorised as a business risk, rather than a governance issue.

However, it was agreed that further work was required to deliver improvements in business continuity planning and partnership working arrangements. Improvement had been made in recent years in the management of corporate risks, but risk management was not yet at a stage where it was fully embedded into the service planning process.

The Committee recognised that as the targets in the Action Plan had timescales extending into the autumn of 2009, there was little further to report at this stage.

Members asked if there were any anomalies in the Statement and Officers confirmed there were none in terms of Governance; good stewardship and transparency had been maintained; 2008/09 had been a difficult year from a treasury management point of view and some of the Council's budgets had changed significantly in response to its worsening financial position but these matters had been handled in an open and transparent manner.

The Committee enquired about the location of documents on the Council's website. It was agreed that where website references were given in reports (including the AGS), to specific documents, hyperlinks to their location on the Council's website should be provided, where possible.

At this point Councillor A P Tollett was taken unwell and was excused from attending the rest of the meeting.

Members expressed disappointment with the lack of Councillor biographies on the Council's website. They felt that the website was the ideal place for the public to be informed about their ward representatives and urged those who hadn't completed one for inclusion to do so.

Members discussed the Annual Audit and Inspection letter which was presented to the Corporate Management Committee in April 2009. It was noted that the Council had been advised to continue to explore initiatives to increase recycling levels and build on the reduction of the amount of waste collected per head.

The Committee also noted from the AGS the need to achieve improvements in risk management, partnership working and business continuity planning. Members endorsed the view that partnership working should be looked at where there was a business case.

The Committee asked for their comments regarding the website and the lack of Member biographies to be conveyed to the Corporate Management Committee.

RESOLVED that –

the draft Annual Governance Statement for 2008/09 be adopted and the following comments be submitted to Corporate Management Committee as set out below:

- i) the Committee expresses its disappointment that some Member biographies are missing from the Council's website and urges Members to provide biographies for their entries;**

- ii) **where references are made in reports (including the Annual Governance Statement) to specific documents which are available on line, the web address be provided where possible; and**
- iii) **the Council's IT Section be urged to simplify the website navigation and complete the re-configuration exercise with regard to past Agendas and Minutes.**

53. INTERNAL AUDIT – REVIEW OF SERVICE PERFORMANCE

(Ref: Minutes of Standards and Audit Committee, September 2008, page 180, para 176 and February 2009, page 753, para 485)

The Committee received for information a report outlining the performance of the Internal Audit section against its own action plan, the progress made with audits across the Council during the last year, an assessment of the effectiveness of the system of internal control and an update on issues that affected the section.

Officers were pleased to be able to provide a more timely report at this additional June meeting, rather than waiting until the September meeting.

The Committee noted the information contained within the Exempt Appendices, detailing the 28 audits that had been completed during 2008/09. It was noted that no reports had a 'critical' conclusion and two reports were issued with an opinion of 'unsatisfactory'.

The Committee agreed that despite difficulties encountered during the year the section had done very well with only four audits being carried forward to 2009/10, three of which had since been undertaken. Members noted with some disquiet the sections that had not provided a timely response to Internal Audit, and considered it would be helpful to include reminders regarding audit recommendations and actions in the appraisal process. However, it was agreed that to maintain continuity the responsibility for compliance should rest with managers.

Officers updated the Committee with regard to nine recommendations made in respect of the Safer Runnymede Control Room. Two had been implemented, one was part implemented, two were being implemented and the remaining four were to be implemented on a revised target date.

Members discussed in-house staffing, noting that the remuneration package needed to be competitive in order to retain good staff and the award of a three year contract of supply of Internal Audit services to top up in house resources to the lowest tenderer, Haines Watts. The Committee sought some clarification as to why Haines Watts had been chosen and were assured that cost was not the only factor. Officers had taken into consideration reputation, experience and references.

Members were content with the outcome of the discussions regarding partnership working with other neighbouring authorities.

The Committee was very pleased that staff had attended relevant and reasonable priced training.

Members wished to endorse the Director of Finance's comments with regard to the maintenance of independence between the roles of Payroll and Personnel. One of the issues was resilience where both sections employed few staff. However, owing to software incompatibilities the possibility of merging was limited.

The Committee also reviewed the feedback received from auditees during 2008/09 and the notes thereon in explanation.

Officers were pleased to confirm that the Internal Audit Section was in the process of setting up auto e-mails which would remind auditees of important dates of actions required as a result of the audit which was a good way of checking progress on a large number of different areas covered by the audit plan.

The issue of physical security and access was the subject of an audit at the moment. Members used this as an opportunity to ask Officers to investigate the rear access door to the Civic Centre from the undercroft. Staff were always encouraged to challenge people they did not know in the unlikely event of their accessing staff only areas of the building.

54. DATA MATCHING
(Ref: Minutes of Standards and Audit Committee, September 2008, page 180, para 177)

Members received an update on progress with investigating items reported in the 2008 data matching exercise.

The Committee recalled that this exercise was run as part of a biennial National Anti Fraud Initiative, set up initially to combat benefit fraud, but now broadened to cover fraud in a wide range of public services.

The Council was obliged, under the Serious Crime Act 2007, to provide the following information:

- Payroll
- Trade creditors
- Housing – rents
- Housing – sold Council houses
- Transport passes for the concessionary travel scheme
- Licences - Taxi drivers
- Personal licences to supply alcohol
- Council Tax
- Electoral Register

In addition, the Council's insurers supplied data relating to insurance claims and the DWP provided Benefits data.

Members reviewed the raw data available to the Committee on potential matches, noting a grand total of 2182 reported matches, of which 164 were considered priority matches, and that so far no errors or evidence of fraud had been found. There were 115 outstanding priority matches to review. Members were cautioned that a data match did not necessarily mean that a fraud had been committed. Often a match occurred where departments were using out of date information. For example if someone had moved but not removed themselves from the Electoral Register they might appear at two addresses which might then be cross matched with a benefit claim.

Officers were aware of the need to have regard to the Code of Data Matching Practice, which engaged Article 8 of the European Convention on Human Rights, which dealt with the right to respect for private and family life and the home.

The Committee expressed concern at the time the exercise took; the timetable suggested by the NFI was 8 months, which diverted a number of Officers from their normal key duties such as Council Tax recovery and assessing new Benefit claims. Officers shared this concern and would be submitting a report back to the Committee on the positive number of matches found, and providing a statement of the resources expended on the exercise and any savings identified.

Officers were thanked for their careful inclusion of helpful background papers for this item.

55. ADJUDICATION PANEL FOR ENGLAND AND STANDARDS BOARD FOR ENGLAND – RECENT CASES
(Ref: Minutes of the Standards and Audit Committee, February 2009, page 755, para 487)

Members reviewed a collection of recent cases from authorities across the country that had been determined by the Adjudication Panel for England and the Standards Board for England. These concerned a variety of incidents including the declaration of personal and prejudicial interests and what these constituted, improper securing of an advantage by a Member and bullying. One case was unusual because the incident had actually been recorded on a Podcast so the panel was able to see first hand the matter being considered.

56. LOCAL GOVERNMENT OMBUDSMAN INVESTIGATIONS
(Ref: Minutes of Standards and Audit Committee, February 2009, page 755, para 488)

The Committee noted the progress with, and where known the outcome, of four matters being considered by the Local Government Ombudsman. In three of the cases the complaint had not been

pursued and in one the Ombudsman had declined to pursue at present but might review that decision pending the outcome of an appeal and/or court action.

57. MEMBER TRAINING

(Ref: Minutes of Standards and Audit Committee, September 2008, page 184, para 184)

The Committee noted that an induction session for new Members, which included the essentials of the Ethical Framework and Code of Conduct was due to take place the following day.

The Vice-Chairman agreed to give a report to the Committee after her attendance at the Annual Assembly of Standards Committees.

The Committee identified a need to be trained in how to deal with staff appeals. It was agreed that as they were the last internal stop before an employee faced dismissal (the external being to lodge a claim with an Employment Tribunal), it was important to know what sort of questions they should be asking and to be familiar with the Council's Disciplinary and other relevant policies and procedures.

Officers agreed to provide more extensive refresher/training session on the Code of Conduct and how to deal with complaints against elected Members and to devote part of the next meeting in September, if appropriate, to dealing with staff appeals.

Chairman

(The meeting ended at 9.40 pm)