

Audit and Standards Committee

Meeting held 12 January 2017

PRESENT: Councillors Josie Paszek (Chair), Dianne Hurst, Alan Law and Peter Price

Co-opted Independent Members

Liz Stanley

In attendance: Independent Persons
Marvyn Moore, Stuart Carvell and David Waxman

Parish/Town Council Representatives

Councillor Michael Appleby (Ecclesfield)

Representative of KPMG

Matt Ackroyd (Manager)

Council Officers

John Mothersole (Chief Executive)

Eugene Walker (Acting Executive Director, Resources)

Dave Phillips (Head of Strategic Finance)

Kayleigh Inman (Senior Finance Manager, Internal Audit)

Jason Dietsch (Head of Member Services)

Dave Ross (Principal Committee Secretary)

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillors Pat Midgley and Vickie Priestley.

2. EXCLUSION OF THE PRESS AND PUBLIC

2.1 No items were identified where resolutions may be moved to exclude the press and public.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting of the Committee held on 16 November 2016 were approved as a correct record.

5. PROGRESS ON HIGH OPINION AUDIT REPORTS

- 5.1 The Senior Finance Manager (Internal Audit) introduced a report that gave details of the progress that had been made against recommendations in audit reports that have been given a high opinion and summarised the implementation of recommendations by priority in each audit review. Of the 87 recommendations, 55 had been implemented, 31 were ongoing and only one recommendation was considered to be outstanding as no action had been taken.
- 5.2 The report proposed that three audits were removed for the action tracker. In addition, the Senior Finance Manager proposed that as there were 8 ongoing recommendations for the audit of Transitions Governance Arrangements and insufficient progress had been made, the audit was removed from the action tracker and that a further full review would be undertaken.
- 5.3 A Member of the Committee sought reassurance regarding the revised implementation dates for the two recommendations for the Statutory Responsibilities Health Check audit not being met. In response, the Senior Finance Manager indicated that those recommendations were ongoing. This item was included in the Annual Governance Statement and there was a mechanism for those recommendations to be reviewed annually.
- 5.4 **Resolved:** That the Committee:-
- (a) notes the report;
 - (b) agrees that the audits relating to Firs Hill Primary School – Financial Health Check, Mailroom Processes (Proactive Fraud Review), Delivery of Highway Scheme and Transitions Governance Arrangements are removed from the action tracker; and
 - (c) notes that the report on the further audit of the Transitions Governance Arrangements would be circulated to Members of the Committee when the audit had been completed.

6. STANDARDS COMPLAINTS UPDATE

- 6.1 The Head of Member Services introduced a report of the Monitoring Officer and Director of Legal and Governance that provided a summary of the 27 complaints considered since the Procedure for Dealing with Standards Complaints Regarding City, Parish and Town Councillors and Co-opted Members was introduced in March 2015.
- 6.2 The Monitoring Officer had assessed 19 complaints, in consultation with one of the three Independent Persons, and decided to take no action on 16 of the complaints and seek informal resolution on three. Six complaints were still to be concluded and two complaints were not accepted due to a significant amount of time having passed since the alleged incidents took place.

6.3 The Head of Member Services referred to the Monitoring Officer visiting each of the three Parish and Town Councils to outline good practice, the requirements of the Members' Code of Conduct and the Social Media Guidance for Members. He also referred to the Annual Standards Report that would be submitted to Full Council in due course.

6.4 **Resolved:** That the Committee notes the contents of the report.

7. **REVIEW OF THE PROCEDURE FOR DEALING WITH STANDARDS COMPLAINTS**

7.1 The Head of Member Services introduced a report of the Monitoring Officer and Director of Legal Governance that proposed, following a recent review, a number of revisions to the Procedure for Dealing with Standards Complaints Regarding City, Parish and Town Councillors and Co-opted Members that was introduced in March 2015. This had taken into account the learning and experience of dealing with complaints under the Procedure and the views of the three Independent Persons and the Parish and Town Councils had also been sought. Generally, the Procedure had worked well but the following revisions were proposed:-

- Clarifying the process for withdrawing a complaint.
- Including an explanation for the possible reasons for taking no action, seeking informal resolution and referring a complaint for investigation.
- Including an amendment to the process that if an informal resolution cannot be agreed then the Monitoring Officer, in consultation with the Independent Person, will reassess the complaint, taking into consideration the reasons why an informal resolution has not been agreed.
- Clarifying that it is expected that the Monitoring Officer will refer only the most serious potential breaches for investigation or where the Member is not willing to accept an informal resolution or fundamentally disputes or does not accept the allegations in the complaint.

7.2 In response to a query from David Waxman, Independent Person, on whether a complaint would still be considered if it was subject to a police investigation, the Head of Member Services indicated that it would but this would take place following the conclusion of any Police action. This point would be clarified in the revised Procedure.

7.3 A Member of the Committee asked what sanctions were available if there was a finding of a breach of the Code of Conduct. The Head of Member Services indicated that these were set out in section 11.8.1 of the Procedure but these were limited in comparison to the sanctions that were available under the previous Standards regime.

7.4 Marvyn Moore, Independent Person, asked what the Council's policy was on recording meetings. The Head of Member Services indicated that the Council did not record its meetings but members of the public and press were entitled to film or record meetings.

7.5 **Resolved:** That the Committee:-

- (a) recommends to Full Council, with the inclusion of the clarification now discussed relating to complaints that were also subject to Police investigation, the adoption of the revised Procedure for Dealing with Standards Complaints Regarding City, Parish and Town Councillors and Co-opted Members and that the Constitution is then amended accordingly;
- (b) refers the revised Procedure to the Parish and Town Councils for adoption; and
- (c) requests the Director of Legal and Governance to review the Procedure annually and submit a report to this Committee on any proposed changes.

8. **REVIEW OF THE MEMBERS' CODE OF CONDUCT**

8.1 The Head of Member Services introduced a report of the Monitoring Officer and Director of Legal and Governance that proposed, following a recent review, a number of minor changes to the Members' Code of Conduct. These related to the Equalities section and were to reflect changes in legislation that have been repealed and incorporated into the Equality Act 2010 and amended titles of Council Policy documents.

8.2 **Resolved:** That the Committee recommends to Full Council the approval of the revised Members' Code of Conduct appended to the report now submitted and that the Constitution is amended accordingly.

9. **WORK PROGRAMME**

9.1 The Director of Legal and Governance submitted a report providing details of an outline work programme for the Committee to July 2017.

9.2 **Resolved:** That the Committee's work programme is approved.

10. **DATES OF FUTURE MEETINGS**

10.1 The Committee (a) agreed to cancel the additional meeting scheduled for 16 February 2017 and (b) noted that meetings would be held on:-

- 9 March 2017 (additional meeting if required)
- 27 April 2017
- 13 July 2017