

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

GOVERNANCE AND ETHICS COMMITTEE

MINUTES OF THE MEETING HELD ON MONDAY, 27 NOVEMBER 2017

Councillors Present: Steve Ardagh-Walter, Jeff Beck (Vice-Chairman), Graham Bridgman, Paul Bryant, James Cole (Chairman), Lee Dillon, Jane Langford (In place of Barry Dickens), Geoff Mayes, Anthony Pick and Quentin Webb

Also Present: Sarah Clarke (Acting Head of Legal Services), Lesley Flannigan (Finance Manager: Financial Reporting), Shiraz Sheikh (Principal Solicitor), Andy Walker (Head of Finance) and Jo Reeves (Principal Policy Officer)

Apologies for inability to attend the meeting: Barry Dickens

PART I

17 Minutes

The Minutes of the meeting held on 21 August 2017 were approved as a true and correct record and signed by the Chairman.

Matters Arising:

Item 10 – Update on Ethical Matters – Q2 of 2017/18 – Councillor Jeff Beck asked whether the outstanding complaint had now concluded. Sarah Clarke advised that a report had been drafted and was going through the process.

Councillor Beck asked Councillor Graham Bridgman for the results of his conversation with the Monitoring Officer. Councillor Bridgman confirmed that the typographical corrections had been completed.

In response to a further question from Councillor Beck, Sarah Clarke confirmed that a message to remind all Members and officers of the gifts and hospitality protocol would be circulated on 30th November 2017.

Councillor James Cole noted that he had previously requested that an actions log be added to the agenda for future meetings.

18 Declarations of Interest

There were no declarations of interest received.

19 Forward Plan

The Committee considered the Governance and Ethics Committee Forward Plan (Agenda Item 4).

(Councillor Lee Dillon joined the meeting at 5.06pm and confirmed that he had no interests to declare.)

RESOLVED that the Governance and Ethics Committee Forward Plan be noted.

20 Financial Statements 2016/17 - Annual Audit Letter (GE3257)

The Committee considered a report (Agenda Item 5) which included the Final Annual Audit Letter 2016/17 from KPMG. This Audit Letter summarised the outcomes from their audit work at West Berkshire Council in relation to the 2016/17 audit year.

(Councillor Steve Ardagh-Walter joined the meeting at 5.07pm and confirmed he had no interest to declare.)

Value for Money was given an unqualified conclusion. KPMG concluded that the Authority had made proper arrangements for securing economy, efficiency and effectiveness in the use of its resources. They had commented on two areas in relation to Value for Money:

- The risks of making investments outside the Authority's geographical area;
- The Authority's reserves were sufficient to deliver services and take appropriate risks in amending service delivery models without impacting on the financial viability of the organisation.

KPMG had also issued an unqualified opinion on the Council's financial statements on 27th September 2017. Three medium priority recommendations had been raised:

- Review of asset valuation report – recommended that the report was reviewed by interested and informed parties within the authority to ensure it was complete and accurate;
- Valuation instructions – recommended that the authority review the instructions provided to the valuer to ensure only owned assets were included. In addition it was recommended that the authority consider the best approach to gaining external assessments of the useful lives of its assets;
- Agresso user accounts – recommended the introduction of a monthly user account/leaver review and reconciliation to ensure all user accounts were closed appropriately.

KPMG agreed that the Whole of Government Accounts return for central government was consistent with the audited Financial Statements.

RESOLVED that the report be noted.

21 Amendments to the Scheme of Delegation (C3903)

The Committee considered a report (Agenda Item 6) concerning which set out proposed changes to the Scheme of Delegation which formed Part 3 of the Council's Constitution.

The previous version of the Scheme had been subject to various amendments over a period of time, which meant that the specific delegations given to different Heads of Service was not consistent in style or format. Whilst some of those differences still existed, it was considered that the proposed revisions helped to align the delegations to all Heads of Service in all service areas. One significant change was that the proposed amendments would grant a general delegation to each customer facing service area to undertake all the day to day functions necessary for that service area to fulfil its statutory duties and obligations. It was considered that this should provide greater flexibility and certainty about the powers exercisable by each Head of Service.

Shiraz Sheikh confirmed that the Scheme of Delegation had been reviewed following SMR4 but that it was not just a case of changing names. There had been inconsistencies in delegations to Heads of Service which had sometimes been over prescriptive. Delegations to statutory posts had also been clarified. The instigation of legal proceedings would need to sit with the Head of Legal Services unless authority to implement the function had been given to someone else. Shiraz Sheikh stated that he hoped the new version of the Scheme of Delegation was more succinct.

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Councillor Bryant enquired how the proposed Scheme of Delegation compared with those of other local authorities. Shiraz Sheikh advised that the version before the Committee would provide a balance between being brief and overly prescriptive as was about average compared to others. Councillor Bryant expressed the view that the document was very detailed and any legislative changes would require the document was thoroughly updated. Sarah Clarke responded that officers had tried to ensure the document was specific enough where required but also had general delegations in it to ensure that any changes to legislation were automatically encapsulated in the Scheme.

Councillor Bridgman advised that some corrections were required to the formatting of the document for clarity. He also indicated that the 'Membership' column on pages 44-45 of the agenda pack was unhelpful as language was not used consistently. It was agreed that Councillor Bridgman would meet with Shiraz Sheikh to go through the document before it was presented to the Council. **(Action: Shiraz Sheikh/ Councillor Bridgman.)**

Councillor Steve Ardagh-Walter enquired to what extent the new Scheme would change the way Heads of Service and tier three managers would operate. Sarah Clarke explained that no changes were being proposed to the powers that officers had, instead the document sought to clarify those they already had. Councillor Ardagh-Walter asked whether there were any opportunities to streamline services. Sarah Clarke advised that the document was meant to be enabling rather than controlling and it was not the purpose of the Scheme of Delegation to suggest efficiencies.

Councillor Pick suggested that it would be useful to agree terminology to be used consistently throughout the whole of the Constitution.

Councillor Lee Dillon asked whether the document would need to be revised if new laws were passed. Sarah Clarke advised that there was sufficient general provision in the Scheme to cover any powers introduced by new laws. The articles of the Constitution were on a rolling programme of review.

Councillor Quentin Webb asked where in the Scheme of Delegation the power to create a working party was specified. Sarah Clarke advised that working parties had no decision-making powers and therefore this did not need to be included in the Scheme. After some discussion, Councillor Bryant suggested that any Member could seek to establish a working party and this might have implications on the Council's resources. Councillor Bridgman stated that officers would question the basis upon which the group had been established and the legitimate Committee etc would need to be identified. He further stated that creation of a working party was not a power of the Council as laid out in statute and therefore did not need to be recorded in the Scheme of Delegation.

RESOLVED that the amendments to the Scheme of Delegation, Part 3 of the Constitution be recommended to full Council for approval and adoption.

(The meeting commenced at 5.00 pm and closed at 6.09 pm)

CHAIRMAN

Date of Signature