

# 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, 17 JUNE 2019

**Councillors Present:** Adrian Abbs (Substitute) (In place of Andy Moore), Jeff Beck (Chairman), James Cole, Jeremy Cottam (Vice-Chairman), Barry Dickens, Jane Langford, Tony Linden, Steve Masters (Substitute) (In place of David Marsh), Geoff Mayes and Joanne Stewart

**Also Present:** Sarah Clarke (Head of Legal and Strategic Support) and Andy Walker (Head of Finance and Property), Moira Fraser (Democratic and Electoral Services Manager)

**Apologies for inability to attend the meeting:** Councillor Thomas Marino, Councillor David Marsh and Councillor Andy Moore

**Councillor(s) Absent:**

#### PART I

#### 3 Minutes

The Chairman welcomed everyone to the meeting.

The Chairman explained that as only he, Councillor Geoff Mayes, Councillor Jane Langford and Councillors Barrie Dickens were present at the 15 April 2019 meeting and as Councillors Dickens and Langford were non-voting members it was not possible to approve the minutes of that meeting. The Minutes of the meeting held on 15 April 2019 were therefore noted subject to the inclusion of the following amendment:

**Item 33 (Internal Audit Plan 2019-2022), page 4, final paragraph** - replace the word 'carting' with 'carrying'.

The Minutes of the meeting held on the 21 May 2019 were approved as a true and correct record and signed by the Chairman.

#### 4 Declarations of Interest

Councillor Joanne Stewart declared an interest in Agenda Item 4 (Forward Plan), but reported that, as her interest was a personal or an other registrable interest, but not a disclosable pecuniary interest, she determined to remain to take part in the debate and vote on the matter.

#### 5 Forward Plan

*Councillor Joanne Stewart declared a personal interest in the following item on the forward plan, by virtue of the fact that \*. As her interest was personal she determined to take part in the debate and vote on the matter).*

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

Councillor James Cole asked that an item be added to the Forward Plan setting out a staged process for reviewing the Constitution. The Chairman suggested that it would be useful to set up a small working group comprising Officers and Members to undertake the review. He suggested that the meetings would take place during the working day and that Members needed to bear this in mind if they wished to volunteer to sit on the group. The

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membership of the group would be based on proportionality. Sarah Clarke agreed to put together a paper setting out a proposed course of action.

Councillor Adrian Abbs queried if this process would obviate any other changes being made to the Constitution. The Monitoring Officer explained that it would be possible to make changes to the Constitution but that any changes would be brought to this Committee for discussion prior to being tabled at Council for a decision.

Councillor Steve Masters stated that the Green Party was supportive of the review of the Constitution as they had become aware of some limitations arising from the Constitution that they would like to have reviewed.

### **RESOLVED that:**

- 1. the Governance and Ethics Committee Forward Plan be noted.**
- 2. a report be drafted by the Monitoring Officer for the 29 July 2019 meeting setting out a timetable and process for reviewing the Constitution.**

## **6 Exclusion of Press and Public**

**RESOLVED that** members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraphs 3,5 and 6 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the [Local Government \(Access to Information\)\(Variation\) Order 2006](#). [Rule 8.10.4 of the Constitution also refers.](#)

## **7 Corporate Risk Register - Q4 Update 2018/19 (GE3639)**

*Councillor Barry Dickens left the meeting at the start of the discussion on this item.*

*(Paragraph 3 – information relating to financial/business affairs of particular person)*

*Paragraph 5 – information relating to legal privilege*

*Paragraph 6 – information relating to proposed action to be taken by the Local Authority)*

The Committee considered an exempt report (Agenda Item 6) which set out the Council's corporate risks and the approaches that were being taken to mitigate those risks.

Catalin Bogos in introducing the item explained that Council's Corporate Risk Register would be presented to the Governance and Ethics Committee every six months. He outlined the main changes that had been made to the document since it had last been presented to Members. The document was a 'work in progress' and would continue to be amended over time. In addition the revised approach that was being taken to risk registers meant that this was an organic document that would constantly be evolving with risks being added and removed from the register on a quarterly basis.

The main changes to the presentation of the document were the inclusion of a 'gross rating', 'current rating' and an 'expected net rating' set of columns. In addition a column setting out estimated cost had been included. It was however accepted that not all costs could be quantified and some would require more work before they could be included. Members queried how these costs were derived. Mr Bogos explained that they were based on probability and professional judgement.

Councillor James Cole informed the Committee that he worked in this field and that when he had first starting looking into the Council's processes he had found that the risk registers tended to be static. He welcomed the new processes and stated that while a lot of progress had been made this was still a work in progress.

Catalin Bogos explained that as part of the revised processes underpinning the process each Head of Service would have a risk register which would be embedded in their service planning and would be discussed with portfolio holders as part of that process.

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Heads of Service would meet with their Directors and they would formulate a Directorate Risk Register.

The Corporate Risk Register (CRR) would comprise major risks escalated via the Head of Service and Directorate levels and this register was managed by Corporate Board. They were provided with quarterly reports. As a result of this change in process risks were being constantly monitored and therefore escalated and deescalated as appropriate. The number of risks and current scores on the CRR would therefore fluctuate depending on context and the effectiveness of mitigation. Some risk ratings were also adjusted to reflect regional and national assessments. The quarter 4 report set out a proposal to deescalate two of the risks.

Mr Bogos commented that the implementation of the new Council Strategy might result in an increase in the number of risks included on the CRR as well as the Service and Directorate Risk Registers.

He noted that in accordance with the Constitution 'The overall purpose of the Governance and Ethics Committee is to provide effective challenge across the Council and independent assurance on the risk management and governance framework and associated internal control environment to members and the public'. While Corporate Board was responsible for maintaining and monitoring the CRR, the Committee needed to ensure that the processes being adopted were sufficiently robust.

Councillor Jane Langford noted that the risk matrix was based on impact and likelihood but queried if there would be any merit in including a third axis relating to sustainability in order to encourage innovation and to encourage officers to consider different approaches to reducing risk around specific issues. This could include invest to save measures as well as preventative work.

*(Councillor Jeremy Cottam left the meeting at 6.20pm)*

Councillor James Cole accepted that Corporate Board were tasked with looking at specific risks and understood that mitigation measures were the responsibility of named Officers. He queried if there was any ownership by Members of the identified risks. Officers explained that all Portfolio Holders should be working through the Service Risk Registers with their relevant Heads of Service during briefing sessions and signing them off at that stage. It was also explained that the Corporate Risk Register was included on Operations Board agendas on a quarterly basis would give Executive Members the opportunity to review that document.

Councillor Adrian Abbs stated that he would like to see a column inserted which reflected risk over time.

Catalin Bogos stated that it was important not to make the document unwieldy and suggested that it would be best to address the sustainability issue raised by Councillor Langford in the associated guidance.

Councillor James Cole stated that one of the things he would like the Committee to look at going forward was around risk appetite. He recommended that Officers look at the work being undertaken by Maidstone Council as he felt that this was a good example to follow.

Councillor Garth Simpson stated that it might be useful to include some totals on the tables set out on pages 49 and 51 of the paperwork.

**RESOLVED that the exempt recommendations as set out in the report be agreed.**

Sarah Clarke reminded Members that this was a confidential report and that the details set out in it needed to be treated accordingly.

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*(The meeting commenced at 5.00 pm and closed at 6.22 pm)*

**CHAIRMAN** .....

**Date of Signature** .....