

Merton Council

Standards and General Purposes Committee

22 July 2021

Supplementary Agenda

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| 2 | Minutes of the previous meetings

Minutes of the meeting held on 11 March 2021 and the
Extraordinary meeting held on 28 June 2021 | 1 - 10 |
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STANDARDS AND GENERAL PURPOSES COMMITTEE 11 MARCH 2021

(7.15 pm - 9.39 pm)

PRESENT Councillors Councillor Peter McCabe (in the Chair),
Councillor Adam Bush, Councillor John Dehaney,
Councillor Dickie Wilkinson, Councillor David Williams,
Councillor Hina Bokhari, Councillor Mary Curtin,
Councillor Andrew Howard, Councillor Brenda Fraser,
Councillor Nick Draper, Councillor Martin Whelton and Councillor
Caroline Cooper-Marbiah

ALSO PRESENT Suresh Patel – EY
Simon Luk – EY
Clive Douglas – Independent Person
Katy Willison – Independent Person

Caroline Holland (Director of Corporate Services), Margaret
Culleton (Head of Internal Audit), Kevin Holland (Head of South
West London Fraud Partnership), Karin Lane (Head of
Information Governance), David Keppler (Head of Revenues and
Benefits), Roger Kershaw (Assistant Director Resources), Liz
Hammond (Head of HR), Louise Round (Monitoring Officer and
Managing Director of South London Legal Partnership), Louise
Fleming (Democracy Services Manager) and Amy Dumitrescu
(Democratic Services Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillor Ben Butler. Councillor Caroline Cooper-Marbiah attended as substitute.

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 5 November 2020 were agreed as a correct record.

4 OUTLINE AUDIT PLANS (Agenda Item 4)

The External Auditors presented the report detailing the outline audit plans for the audit of the Council's main and pension fund 2021 accounts, noting that the impact of Covid19 on the accounts would be seen in this year.

The External Auditors gave an overview of the key risks which remained as last year with the addition of a further risk on the implementation of a new payments system

due to take place in March 2021 as well as new risks relating to the continued impact of Covid19 and accounting for covid19 related Government grants.

The Auditors were still looking at financial sustainability and it was likely that additional work would be completed in ensuring arrangements were as expected.

Following MHCLG consultation, the dates for draft accounts would be required by 1 August 2021 and audited accounts published by the end of September 2021.

Merton's audit was planned during July and August to allow for publication at the end of September.

In response to questions from members, the External Auditor responded that new accounting standards required them to apply further scepticism when assessing assumptions than previously. Whilst there was not expected to be a larger volume of work in relation to the valuations following detailed work in previous years, areas such as the appeals provision would require more work than on previous occasions.

The reports were noted.

5 INTERNAL AUDIT PROGRESS REPORT (Agenda Item 5)

The Head of Internal Audit presented the report noting that 41 audits were listed on the plan and to date 28 of these had been completed of which the result of 5 had been limited assurance. A high level review of the Council's approach to Covid had been undertaken across the 5 councils including a review of governance arrangements and the resulting view had been that Merton was in a very good place with its response.

In response to member questions, the Head of Internal Audit confirmed that in relation to prepaid cards, the officers had all changed since the previous limited assurance review in 2016. The officers now in post have responded positively to the audit and have begun implementing the audit actions however there remained 3 audit actions outstanding which are being followed up on.

RESOLVED:

That the Committee considered and commented on the Internal Audit Plan 2020/21 progress.

6 INTERNAL AUDIT PLAN (Agenda Item 6)

The Head of Internal Audit presented the report noting there had been additional contingency planned due to changing risks.

In response to member questions the Head of Internal Audit committed to updating the Committee on progress against the audit plan and will provide an update on the Highway contract audit, once it has been completed.

RESOLVED:

That members reviewed and commented upon the 2021/22 Draft Internal Audit Plan, Strategy and Charter.

7 FRAUD UPDATE (Agenda Item 7)

The Head of the South West London Fraud Partnership presented an overview of the report, noting particular areas of work including working with the Revenues team to co-ordinate details of business grant applications, to be sent to Spotlight for fraud checks to prevent fraudulent applications being paid and post payment checks to ensure payments had not been paid to fraudulent applicants.

In response to member questions, it was confirmed that the large drop in tenancy fraud referrals had been due to Covid, however engagement was taking place with others to further investigate why the number of referrals still remained below usual expected levels.

RESOLVED:

That members noted the Fraud Progress report and commented on the matters arising from it.

8 ANNUAL COMPLAINTS REPORT (Agenda Item 8)

The Managing Director of the South London Legal Partnership presented the report, noting the decrease in the number of complaints progressing to stage 2 of the complaints process as well as the improvement in response times to complaints.

RESOLVED:

That the Committee noted the report.

9 LOCAL GOVERNMENT AND SOCIAL OMBUDSMAN REPORT - ENFORCEMENT AGENTS (Agenda Item 9)

The Head of Revenues and Benefits presented the report, which provided an update requested by members following a previous report taken to Committee in July 2020. Whilst staff from the team had been assisting with the Covid response in rapid testing and foodbank centres, a service review had been undertaken and looked at the likely reduction in workload in the short to medium term. The resulting recommendation was a staff restructure with reductions in posts to be completed by Mid-April 2021.

In response to member questions, the Head of Revenues and Benefits confirmed that the service covered enforcement for Council Tax, Business Rates and PCNs (Parking Charge Notices) for Merton and Sutton and that the reductions referred to a reduction in the number of PCNs issued.

Members thanked the Head of Revenues and Benefits for the report and it was RESOLVED that:

1. The Standards & General Purposes Committee considered the contents of this update report regarding the Enforcement Service following the Local Government and Social Care Ombudsman (LGSCO) decision and report.
2. That the Standards & General Purposes Committee did not require a further update report on the service.

10 MEMBER CODE OF CONDUCT (Agenda Item 10)

The Monitoring Officer presented the report, noting that the Constitutional Working Group were meeting regularly and making progress and the code of conduct was brought to the Committee to agree for adoption to Full Council. The Monitoring Officer noted that training would take place before the code was adopted and that the remainder of the amendments to the constitution agreed by the working group would be presented to either a special meeting of the Committee or the July meeting.

The Independent Persons also spoke on the item to commend the amended code of conduct to the committee.

Councillor Whelton noted that the issue of proportionality application to chair and vice-chair positions had yet to be resolved within the working group and moved an amendment to the recommendations by asking the Committee to recommend to full Council that the Council's Constitution be amended by deleting the requirement that appointment of the chairs and vice chairs of the Overview and Scrutiny Commission and its panels comply with the principles of proportionality:

There was some urgency as this issue should be resolved prior to the Annual meeting of Council in May 2021 where chairs and vice-chairs would be appointed.

This was debated at length by members; some members of the committee felt that the issue should be resolved and the meeting was the only opportunity to do so, others felt the issue should be deferred to allow the working group to continue discussions and reach a consensus.

Following further discussion, members agreed that discussions within the working group should continue to attempt to resolve the issue and that delegation should be given to the Monitoring Officer to provide a report to the Annual General meeting on this issue.

RESOLVED:

- A. That the Committee recommended to Full Council that it adopt the revised Code of Conduct for Members attached as Appendix A with effect from 1 June 2021 and that the Monitoring Officer be authorised to make such consequential amendments to other parts of the constitution as she considers necessary;
- B. That the Committee noted that the Monitoring Officer will arrange training sessions for councillors on the requirement of the revised Code of Conduct;
- C. That the committee noted that a further report will be brought to a later meeting of this Committee on setting out progress made by the Members' Constitution Review Working Group on other aspects of the Constitution.

D. That delegated authority be given to the Managing Director of the South London Legal Partnership to submit a report to the Annual General Meeting of the Council concerning the appointment of chair and vice-chair positions on the Overview and Scrutiny Commission and its panels following discussions with the Constitutional Working Group.

11 GOVERNANCE ISSUES (Agenda Item 11)

The Monitoring Officer presented the report and it was agreed that each of the group leaders would put forward their nomination for a Councillor from their group to be on the Freeperson of the Borough Working Group.

RESOLVED:

A. That the Committee noted the updates provided on whistleblowing, member complaints and the operation of RIPA;

B. That the Committee established a member working group to consider any nominations for awarding Freeperson of the Borough Status and this would make recommendations to the July meeting of the Committee for onward submission to a special Council meeting.

12 WORK PROGRAMME (Agenda Item 12)

The work programme was noted and agreed.

13 EXCLUSION OF THE PUBLIC (Agenda Item 13)

RESOLVED: That the public were excluded from the meeting during consideration of items 14 and 15 on the grounds that they were exempt from disclosure for the reasons stated in the reports.

14 TEMPORARY AND CONTRACT STAFF UPDATE (Agenda Item 14)

The Head of HR presented the report, noting that the use of agency staff had increased during the Covid19-pandemic however this continued to be closely monitored. The Council remained IR35 compliant and had received substantial assurance in a recent internal audit. The Committee reviewed the report and
RESOLVED:

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

15 RISK MANAGEMENT (Agenda Item 15)

The Assistant Director of Resources presented the report, noting that the Covid risk register is reviewed every couple of weeks. The Director of Corporate Services noted that the Council's risk register is publicly available, with only the Covid risk register being restricted.

RESOLVED:

- A. That the Standards and General Purposes Committee reviewed the adequacy of the risk management framework and the associated control environment
- B. That the Committee considered the Key Strategic Risks and Issues faced by the council, and determine whether these are being actively managed
- C. That the Committee considered the Covid Risks and Issues faced by the council, and determined whether these are being actively managed

STANDARDS AND GENERAL PURPOSES COMMITTEE

28 JUNE 2021

(7.16 pm - 8.34 pm)

PRESENT Councillors Councillor Peter McCabe (in the Chair),
Councillor Adam Bush, Councillor Ben Butler,
Councillor John Dehaney, Councillor Dickie Wilkinson,
Councillor David Williams, Councillor Hina Bokhari,
Councillor Mary Curtin, Councillor Andrew Howard,
Councillor Brenda Fraser, Councillor Martin Whelton and
Councillor Sally Kenny

ALSO PRESENT Louise Round (Monitoring Officer and Managing Director South
London Legal Partnership), Amy Dumitrescu (Interim Democracy
Services Manager), Krishna Chapriban (Democratic Services
Officer)

ATTENDING Katy Willison – Independent Person
REMOTELY Clive Douglas – Independent Person

Caroline Holland (Director of Corporate Services) and Dawn
Jolley (Head of Commercial Services)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillor Nick Draper. Councillor Sally Kenny
attended as substitute.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 ARRANGEMENTS FOR RETURNING TO IN-PERSON COUNCIL AND COMMITTEE MEETINGS (Agenda Item 3)

The Monitoring Officer presented the report detailing the proposals for arrangements
to return to in-person Council and Committee Meetings following Council's
agreement to resume in-person meetings from 21 June 2021.

The report outlined the proposals that meetings continue to be livestreamed and
would be held in the Council Chamber
however meetings that were consultative or formal in nature would continue to be
held virtually.

A number of measures would be put in place to safeguard attendees including the
request that attendees take a LFT test prior to attending the meeting and that social
distancing rules (2 metres apart) be adhered to at all times. It was recommended that

officer and public attendance continue to be remote. Members would be able to attend remotely provided a physical quorum were present in the room. Members attending remotely would not be entitled to vote on decisions but could otherwise speak and participate at the meeting.

In response to member questions, the Monitoring Officer advised that the measures would be reviewed in six months time (at the November meeting of the Standards and General Purposes Committee).

RESOLVED:

A. That the Standards and General Purposes Committee discussed and agreed the proposed arrangements for the return to in-person Council and Committee meetings

4 MEMBER COMPLAINTS PROCESS (Agenda Item 4)

The Monitoring Officer reminded members that they had agreed a new code of conduct in March based on the Local Government's Association's model of conduct. She explained that the Committee was now being asked to agree a revised complaints process to support the new Code; the proposed changes had been agreed by the member working group.

RESOLVED:

A. That the Committee recommended to Full Council the amended process for dealing with complaints against councillors set out in Appendix A (and shown in tracked change form in Appendix B);

B. Subject to the agreement of Full Council to the amended process, the committee agreed to appoint a Hearings Subcommittee at the next meeting of the committee.

5 CONSTITUTIONAL CHANGES (Agenda Item 5)

The Monitoring Officer introduced the report setting out a number of proposed changes to the constitution. Most of these had been agreed by the member working group however there were three matters upon which the Committee was being asked to make decisions as to what should be recommended to full Council.

- a) Timing of motions on the strategic theme currently have to be submitted at 9am on the day before the meeting. The proposal is that suggested that motions should be submitted three clear working days before. (2.5.3, Page 44). In order to support this, there was a suggestion that the strategic theme report should circulated in advance of the agenda.
- b) Should strategic theme choices be made on a turn by turn basis or should the choice of theme be proportionate to the size of the group making the choice ?
- c) If councillor questions not on the strategic theme are , as is proposed, to be submitted seven clear working days before the meeting, should the answers also be circulated earlier than is currently the case?

The Chair thanked the members for their participation in the process.

RESOLVED:

A. That the Committee recommended to Full Council that it adopt the following amended parts of the Constitution attached as appendices A-H to this report*:

- (i) Part 1 – Summary and explanation
- (ii) Part 2 – Articles
- (iii) Part 3A – Responsibility for Local Choice Functions
- (iv) Part 3B – Responsibility for Non-Executive Council Functions
- (v) Part 4A- Council Procedure Rules
- (vi) Part 4B -Access to Information Procedure Rules
- (vii) Part 4C – Budget and Policy Framework Procedure Rules
- (viii) Part 4E – Overview and Scrutiny Procedure Rules

*Tracked changes versions of the appendices are available from Democracy Services on request. A table setting out the substantive proposed changes is attached as appendix I

B. That the Committee recommended to Full Council that it adopts the Scheme of Delegation to Officers attached as appendix J to this report insofar as it relates to non-executive functions and to agree it will form Part 3E and replace existing parts 3E, 3F and 7B of the constitution;

C. That the Committee noted that the Cabinet has been recommended to adopt amended versions of

Part 3c (Responsibility for Executive Functions), Part 4D (Cabinet Procedure Rules) and the Scheme of Delegation to Officers insofar as it relates to executive functions which if agreed, will also be submitted to Full Council for the sake of completeness; and

D. That the Committee authorised the Monitoring Officer to make such consequential and minor drafting amendments as she considers reasonably necessary including, without limitation,

to renumber the parts of the constitution as appropriate.

6 REVISIONS TO THE CONTRACTS STANDING ORDERS (Agenda Item 6)

The Head of Commercial Services presented the proposed revisions to be made to the Councils Contracts Standing Orders. Changes made were in response to the UK leaving the EU and the effect this would have on the Public Contracts Regulations and as part of the regular reviews undertaken to the CSOs.

Whilst there were no fundamental changes, the key changes were clearer signposting, removing references to the European Union, strengthening the reference to social value, adding due consideration to be required to the climate emergency, amending how many officers were needed to evaluate bids to ensure greater fairness and transparency and making it clearer how contracts could be extended.

In response to member questions, the Head of Commercial Services advised that regular benchmarking took place against other London Boroughs and the national procurement strategy.

RESOLVED:

A. That Members noted, approved and recommended to full Council, the proposed revisions made to the Councils Contract Standing Orders. Changes made are in

response to the implementation of the impact the UK leaving the EU will have on the Public Contracts Regulations [The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020] (PPR 2020), greater reinforcement with regards to the Social Value Act 2012, reference to the Council's commitment to the Climate Emergency; and to try to provide clarity in order to drive greater compliance overall with procurement governance and best practice.

B. That Members approved and recommended to full Council that the appendices to the CSOs may be updated by the Head of Commercial Services, with approval by Procurement Board, without the need to seek approval from SGPC and full Council. These are supplementary documents, templates and guidance notes that compliment but do not impact on the content of the main CSOs.