

STANDARDS AND GENERAL PURPOSES COMMITTEE  
10 MARCH 2022

(7.15 pm - 8.15 pm)

PRESENT Councillors Councillor Peter McCabe (in the Chair),  
Councillor Adam Bush, Councillor Ben Butler,  
Councillor Dickie Wilkinson, Councillor David Williams,  
Councillor Hina Bokhari, Councillor Mary Curtin,  
Councillor Nick Draper, Councillor Martin Whelton,  
Councillor Stephen Crowe, Councillor Joan Henry and  
Councillor Stephen Alambritis

ALSO PRESENT Roger Kershaw (Assistant Director of Resources), Caroline  
Holland (Director of Corporate Services), Margaret Culleton,  
Amy Dumitrescu (Democracy Services Manager), Richard  
Seedhouse (Democratic Services Officer) and Roger Kershaw  
(Assistant Director of Resources)

ATTENDING  
REMOTELY

Caroline Holland (Director of Corporate Services) and Richard  
Seedhouse (Democratic Services Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Mr Clive Douglas (Independent Person)

Cllr Joan Henry replaced Cllr John Dehaney as a member of the Committee  
Cllr Stephen Crowe replaced Cllr Andrew Howard as a member of the Committee  
Cllr Stephen Alambritis replaced Cllr Brenda Fraser as a member of the Committee

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 4 November 2021 were agreed  
as a correct record

4 EXTERNAL AUDIT 20/21 FINAL AUDIT RESULTS REPORT (Agenda Item 4)

The External Auditor presented the Final Audit Results Report. In response to  
questions, the External Auditor reported that there would not be an impact of the  
actions of Russia in the Ukraine on this report, but it may be relevant to the next  
audit.

RESOLVED: That the Committee noted the contents of the report.

## 5 EXTERNAL AUDIT PLANS FOR COUNCIL AND PENSION FUND ACCOUNTS (Agenda Item 5)

The External Auditor presented the outline audit plan, noting that it was shorter than a normal plan with a planning visit due in April; the next committee will receive an extensive audit plan.

The audit plan set out high level risks, as the audit was only recently signed for 2021, there had not been much movement. The Accounts Audit was due in September/October, the deadline for issuing the audit had previously been September, the target date was now 30th November and the report would be brought to the November meeting so that it could be signed off before the end of November.

The Committee noted that the key risks identified were around financial sustainability, the DSG deficit, and the OFSTED inspection to assess the impact on the council and value for money arrangements.

In response to questions and comments from members, the External Auditor confirmed that they were already engaged with the Finance Team, and would be selecting samples in April so that officers had time over the summer to find relevant evidence. The same officer from last year had been engaged to look at the sticking points from last year.

It was too early to say what impact the Russia/Ukraine situation would have, but conversations had started and that would be part of the audit process. All firms, would be working together to ensure consistency across the audit firms.

In response to further questions, the External Auditor responded that the sampling of data in the accounts would begin in April, the External Auditor would then extract data and while the management judgement areas which caused discussions and some disagreement last time have not changed, there may be different questions in different areas that could have an impact on this audit. CIPFA was consulting public bodies about whether The Council was required to do full work this year, or if the process would cease for this year. This may remove the need for some of the discussions from last year.

The External Auditor was unsure at this stage whether the FRC would look at their work however they had not yet confirmed whether the work relating to Merton had been selected.

### RESOLVED

That the Committee noted EY's updated Audit Results Report for the Pension Fund accounts and that the Committee noted EY's updated Audit Results Report for the Statement of Accounts.

## 6 INTERNAL AUDIT PLAN (Agenda Item 6)

The Head of Internal Audit presented the Internal Audit Plan, noting in particular that on the audit plan for this year, some of the audits were joint reviews with other councils. As a joint service we also align audits, this year we will align climate change, across the five boroughs.

In response to questions the Director of Corporate Services informed the Committee that the list of senior people in the report are contacts for governance rather than executive matters, but it would not prevent the Head of Internal Audit speaking to the Leader of the Council if she had concerns to bring to the Leader's attention.

RESOLVED: That the Committee reviewed and commented upon the 2022/23 Draft Internal Audit Plan, Strategy and Charter

## 7 INTERNAL AUDIT PROGRESS REPORT (Agenda Item 7)

The Head of Internal Audit presented the Internal Audit Progress Report, drawing the committee's attention to its 78% assurance at substantial or above. There are 7 limited assurance opinions provided, three of which have been previously reported. The latest 4 limited assurance reports are summarised in this report and include the management responses, and an update on progress of actions being implemented. Some schools which received limited assurance have actions still in progress.

The Head of Internal Audit highlighted the Priority 1 actions. There are 3 areas still making progress on implementations: Building Control will be implemented from April and will take 6 months; PCI compliance nearly there, waiting for the certificates to come through; and the pre-paid cards responses were delayed due to the recent OFSTED inspection, but we have now been informed that actions have been implemented.

In response to questions, the Head of Internal Audit informed the committee that the annual report which will be presented at the next meeting will include year on year comparisons and can include comparison to neighbours. The key financial areas are Cash and Bank, General Ledger, Payroll, which all achieving the substantial assurance. The limited assurance audit applies to service areas that we don't look at regularly due to our risk-based approach, where we focus audit work on areas of known concern or areas identified as high risk. Overall, the key financial systems, procurement, and IT would be expected to come out with substantial assurance. There was limited assurance on cyber security, although no priority 1s emerged, and all actions were implemented immediately. Internal Audit did not have more concerns this year than in previous years.

The Head of Internal Audit advised that there is a team within Finance with responsibility for managing school budgets and deficits which provides good oversight. Having audited in another Borough on monitoring of returns and deficits and a useful report with good recommendations came out, it is proposed to do the same for Merton next year.

The Assistant Director for Resources agreed to report to the Committee on the number of schools in the Borough with a deficit and the extent of the deficit.

The Head of Internal Audit confirmed that the Building Control team have responded to confirm they intend to meet the schedule of actions. Internal Audit will be checking progress on their Priority 1s.

The Director of Corporate Services confirmed to the Committee that if a school runs up debts, we can remove financial delegations from the schools if we have concerns over the way they are running their finances, though it is not something we do lightly.

RESOLVED – That the Committee considered and commented on the Internal Audit Progress Report

#### 8 UPDATE ON RIPA AUTHORISATIONS (Agenda Item 8)

There has been only one RIPA authorisation in the last year, in relation to an alleged theft of a blue badge, granted by a Magistrate at the end of February with surveillance for one month, which is about to expire.

RESOLVED: That the Committee noted the update.

#### 9 MEMBER TRAINING FOR THE NEW INTAKE (Agenda Item 9)

The Monitoring Officer presented the report and highlighted to the Committee that the proposed training also covers IT provision for new members. The welcome session has been moved from Saturday morning to Monday evening. Otherwise, the programme mirrors previous inductions – five sessions covering standards; safeguarding; community work; and training for planning and licensing as relevant.

It was proposed that all Councillors will be offered a laptop to be issued shortly after the election. It will be possible to use their own devices instead and to have Microsoft 365 and ModernGov software installed. Training will be arranged as required.

After laptops have been issued, members would move to a paper-free operational model for meetings, as standard, except where there were specific accessibility requirements and potentially paper versions of the extensive budget papers could be made available. Electrical sockets had now been installed under every other desk in the Chamber to ensure devices could remain charged during lengthy meetings.

Officers expected to assist more on information governance and retention periods than to date.

In response to questions from the Committee, the Monitoring Officer confirmed that dates for training had been agreed with group offices, but would re-confirm to allay concerns around potential clashes with group events planned over that period.

The Monitoring Officer confirmed that 'Keeping Our People Safe' is a combination of safeguarding children and adults, and corporate parenting comes under safeguarding children.

Outgoing councillors will be contacted to explain the process for returning equipment, passes and access to accounts, and managing the handover of casework. The Welcome evening would be an in-person event with further training sessions likely to follow a hybrid format where appropriate

Training feedback forms would incorporate a question on the preferred format for participants to ensure that members requirements were being met.

#### RESOLVED:

A. The Committee agreed the proposed member induction programme for 2022 set out in paragraph 2.2

B. The Committee agreed to the provision of electronic devices to all members and that papers will be circulated electronically unless there are specific accessibility reasons why members require printed copies.

C. The Committee agreed the main member induction event will take place on the evening of Monday 9 May 2022, subject to further confirmation with Group Offices.

#### 10 FREEDOM OF THE BOROUGH (Agenda Item 10)

The Monitoring officer reported that nominations for Cllrs Williams and Simpson to be awarded Freedom of the Borough have been submitted. The recommendation is to form a member working group, which would allow other nominations to come forward, to meet in July with a special council meeting later in the year to confer the honour.

The working group will need one member from each group, with groups to nominate a member.

RESOLVED: That a member working group would be established to consider the nominations of Councillor Simpson and Councillor Williams, together with any other nominations received for awarding Freeperson of the Borough Status.

#### 11 COMPLAINTS AGAINST MEMBERS (Agenda Item 11)

No complaints have been received

The Monitoring Officer suggested that in the future, a six monthly or yearly review of complaints that don't reach investigation might be of interest to the Committee.

12 WORK PROGRAMME (Agenda Item 12)

RESOLVED that the Work Programme was noted and agreed.

13 EXCLUSION OF PUBLIC (Agenda Item 13)

RESOLVED: That the public were excluded from the meeting during consideration of item 14 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 Director of Corporate Services presented the report which provided an analysis of the use of agency and temporary contract staff. Members noted there had been an increase in the use of agency staff, and also an increase in additional functions and therefore additional funding, some of those roles, for example, those within the Track and Trace team would end at the end of March 2022 with 36 staff to go.

The Workforce Strategy Refresh looked at ways in which the Council could attract a more diverse workforce and ensure that a more diverse group of staff have the opportunity to progress within Merton.

In response to questions the Director confirmed that Merton 2030 had set aside £1million for projects, presented to Cabinet in November and January, which represents additional money for short term projects, but noted it was not for recruiting permanent staff.

The Director confirmed that we would reconsider use of the term BAME in the analysis of data, and this will be included in our refresh of the Equality Diversity and Inclusion strategy and this will come through the Commission and the Director was happy to take suggestions which would be welcome.

The Director agreed to circulate figures giving the percentage of temporary and agency staff to the Committee.

The Director confirmed that work was ongoing to fill roles in areas where we have traditionally struggled to recruit.

RESOLVED:

That the Committee noted the progress made to monitor and control the use of temporary workers and consultants