

STANDARDS AND GENERAL PURPOSES COMMITTEE  
9 MARCH 2017

(7.15 pm - 8.45 pm)

PRESENT Councillors Councillor Peter McCabe (in the Chair),  
Councillor Janice Howard, Councillor Agatha Mary Akyigyina,  
Councillor Adam Bush, Councillor Stephen Crowe,  
Councillor John Dehaney, Councillor Mary-Jane Jeanes,  
Councillor Ian Munn, Councillor Gregory Udeh,  
Councillor David Williams and Councillor Martin Whelton

ALSO PRESENT Caroline Holland, Director Corporate Services  
Yvette Stanley, Director Children, Schools and Families  
Paul Evans, Monitoring Officer  
Margaret Culleton, Head of Internal Audit,  
Kevin Hollands, Head of Shared Fraud Partnership  
David Keppler, Head of Revenues  
Kim Brown, HR Lead  
Julia Regan, Head of Democracy Services  
Amy Dumitrescu, Democratic Services Officer

Pam Donovan, Independent Person  
Simon Mathers, Ernst & Young  
Suresh Patel, Ernst & Young

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillor Mike Brunt. Councillor Imran Uddin attended as his substitute.

Apologies were also received from Independent Person Derek Prior.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

Councillor Adam Bush declared a personal interest in items relating to audit matters, as he is employed by BDO LLP. The Monitoring Officer confirmed that it would be appropriate for him to participate in discussions on these items.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the previous meeting are agreed subject to the following amendment:

Item 10 regarding paragraph 6, should read:

“With regard to Local Government Ombudsman (LGO) enquiries, the Monitoring Officer corrected information given in paragraphs 6.1, 6.2 and 6.3 of the report, which should read as follows:

*6.1 The LGO received 70 complaints and enquiries about the council's services during 2015/16. This is 28 less than in 2014/15.*

*6.2 In 2015/16 22 complaint investigations took place.*

*6.3 Of the 10 cases that the LGO investigated, 5 (50%) were upheld."*

#### 4 INTERNAL AUDIT PLAN (Agenda Item 4)

The Head of Internal Audit, introduced the report, and drew members' attention to future planned work as detailed in the report.

RESOLVED: That members note the 2017/18 Draft Internal Audit Strategy, Plan and Charter.

#### 5 ANNUAL GOVERNANCE STATEMENT 2015/16 - IMPROVEMENT PLAN UPDATE (Agenda Item 5)

The Head of Internal Audit, introduced the report and gave updates on current projects.

The Head of Internal Audit advised that dates had been revised subject to the implementation of the e5 system now it was in place, and that the electronic Declaration of Interests Form was expected at the end of March.

Members asked about the delay for the online form and sought clarification of the date of implementation and review of the e5 system. The Head of Internal Audit advised that the online form was due to a change in staff, and that the E5 system went live on 6 February 2017 with review of controls due in March.

The Chair raised concern about deadlines being missed, and asked if it would be possible to double check deadlines in future. The Head of Internal Audit confirmed this would be taken into account for 2016/17.

RESOLVED: That the Standards and General Purposes Committee note progress achieved to date against the 2015/16 Annual Governance Improvement Plan (set out in Appendix 1).

#### 6 FRAUD INVESTIGATION UPDATE (Agenda Item 6)

Kevin Hollands, Head of the Shared Fraud Partnership, introduced the report and gave a brief update on the work undertaken, drawing members' attention to the change of reporting structure and advising that the contact for the SWLFP would be Paul Evans, Assistant Director of Corporate Services as noted in the report.

Members then asked questions of the Audit Team and discussed details of the report in depth, including Communications Plans for the work being undertaken, how fraud was reported, the levels of success in identifying fraud compared to other boroughs

and notional savings. The Committee expressed concern over the low levels of detection of permit fraud and encouraged officers to do more to tackle this area.

RESOLVED: That members note the Fraud Progress report.

#### 7 EXTERNAL AUDIT CERTIFICATION OF CLAIMS REPORT (Agenda Item 7)

Simon Mathers, Ernst & Young introduced the report and advised that the claim audit was delivered on time, continued to be of high quality, that the DWP had accepted the claim and that Merton had not breached the error threshold. Whilst this was still subject to qualification progress was positive.

The Committee congratulated all involved on the work done and the improvements made.

#### 8 EXTERNAL AUDIT PLANS FOR COUNCIL AND PENSION FUND ACCOUNTS (Agenda Item 8)

Suresh Patel, Ernst & Young advised that he had taken over as Engagement Lead and introduced the report and gave an overview of the risks and the mitigation in place for these.

The Engagement Lead, Suresh Patel, advised the Committee that there had been a change in the code of practice, but that Merton had already completed the work required for this and there would consequently be no added costs as mentioned in the report.

Members discussed the report and noted its contents.

#### 9 NOMINATION FOR FREEDOM OF THE BOROUGH (Agenda Item 9)

The Head of Democracy Services, introduced the report, and advised that the Committee were recommended to agree the establishment of a small working group. The Committee agreed that 3 or 4 members would be appropriate.

Councillors Ian Munn, Mary-Jane Jeanes and David Williams wished to be part of the working group indicated their interest, and the Committee agreed that they would form the working group, who would also feed back and discuss nominations with Group Leaders and others as required.

RESOLVED: agree to establish a small working group to consider nominations of freedom of the borough and report back to Committee.

#### 10 CIVIC REGALIA (Agenda Item 10)

The Head of Democracy Services introduced the report and gave an overview of its contents.

Concern was raised by members of the Committee as to the donors of various items. The Head of Democracy Services advised that there were records, and that this would continue in future, and that items would be offered back to donors in the first instance where appropriate.

RESOLVED: That the Standards and General Purposes Committee agreed to the implementation of the civic regalia and other valuable items display and disposal policy as set out in paragraphs 2.12 onwards, subject to any changes the Committee wishes to make.

#### 11 UPDATE ON RIPA AUTHORISATIONS (Agenda Item 11)

The Monitoring Officer introduced the report. He advised that there had not been any authorisations made since September, and advised that the future reports would include information on enforcement.

RESOLVED: That members note the purposes for which investigations have been authorised under the Regulation of Investigatory Powers Act (RIPA) 2000.

#### 12 COMPLAINTS AGAINST MEMBERS (Agenda Item 12)

The Monitoring Officer advised the Committee that no formal complaints had been received since the last meeting.

The Monitoring Officer stated that the investigation into complaints made about the Leader, and discussed by this Committee in December was ongoing, and that he expected to receive the final report shortly. He undertook to liaise with the Chair about the best way for this Committee to consider the report once received.

#### 13 TEMPORARY AND CONTRACT STAFF UPDATE (Agenda Item 13)

Kim Brown, HR Lead, gave an overview of the report, noting that the period covered in the data ended at 31 January 2017.

The HR Lead also corrected paragraph 2.6 to read September 2016, not July 2016.

At the request of the Committee, the Directors of Corporate Services and Children, Schools and Families gave updates on their department's performance in this area as detailed in the report.

The Committee asked questions, and expressed concern that the numbers remained high. The HR Lead advised that this was a London-wide issue, but that it remained a high priority for the authority and officers were working hard to try and reduce this.

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

#### 14 WORK PROGRAMME (Agenda Item 14)

The work programme was agreed.

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