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| Meeting | Audit and Governance Committee |
| Date | 20 October 2021 |
| Present | Councillors Pavlovic (Chair), Fisher (Vice-Chair), Lomas, Mason, Wann, Webb and Carr |

Apologies

33. DECLARATIONS OF INTEREST

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda.

Cllr Mason declared a prejudicial interest as the current Sheriff of York regarding any decisions which would effect the role of the Civic Party or its members in item 6 of the agenda Review of the Constitution.

34. MINUTES

Resolved: That the minutes of the meeting held on 8 September 2021 be approved and then signed by the Chair as a correct record, subject to the amendment of grammatical errors.

35. PUBLIC PARTICIPATION

It was reported that there had been three registrations to speak at the meeting under the Council's Public Participation Scheme.

Brian Watson spoke on behalf of a group of former Sheriff's of York to question the need for a deputy Sheriff in the Council's proposed Constitution. He noted that an interim Sheriff had been used previously but this would be different to a deputy, he also highlighted that additional cover for the Lord Mayor was provided by the previous Lord Mayor.

Andy Mendus raised a number of questions relating to the internal audit reports including Council Tax and NNDR's and data corruption issues, whether there had been too relaxed a approach to cyber security when auditing York schools, and relating to Council projects he was concerned that Gateways were not being used correctly but being treated as a tick box exercise.

Gwen Swinburn raised consultations on the budget and noted that she felt the Council lagged behind other Council's in its engagement regarding the setting of a budget. She questioned how the budget could be scrutinised and consulted at the Council. She asked that the Committee engage in governance matters relating to the budget process. She also raised consultation on the Constitution for residents.

36. PROGRESS AGAINST THE ACTION PLAN

Officers provided an update on the progress undertaken in relation to the Council's Action Plan following the Public Interest Report. It was confirmed that the Local Government Association had been informed that the Committee had accepted its proposed scoping document and aimed to attend a meeting of the Committee in December. It was also noted that Staffing Matters and Urgency Committee had considered the Exit Strategies: Guidance on the use of Settlement Agreements Including Special Severance Payments and had proposed amendments to the guidance. The Committee therefore requested that the amended guidance on Exit Strategies be shared with the Chair and Vice Chair for approval.

Resolved:

- i. Noted the progress being made against the Action Plan prepared in support of the Public Interest Report.

Reasons: The Audit & Governance Committee is required by Full Council to monitor the delivery of the Action Plan prepared in response to the Public Interest Report.

37. CORPORATE GOVERNANCE REPORT

The Committee received a wide ranging update on Annual Complaints Report April 2020 to March 2021, Corporate Governance performance indicators, Information Commissioners Office (ICO) decision notices, Ombudsman cases from last report in July 2021 to date of this report, Disclosure Log, and Investigatory Powers Commissioner's Office (IPCO) inspection. Members considered the data received and discussed the role of the 4 C's procedure which had been introduced. Officers provided a correction to the Annual Complaints report noting the table on gender's (page 39 of the report) final row should have specified 'total' in the first column and not 'not stated.'

Members highlighted a related theme of complaints regarding a lack of communication from the Council, officers noted that the issue had been identified and was being worked on to ensure greater communication and to keep residents updated, even in cases where there was not an update to provide.

Resolved:

- i. Noted the details contained in this report.

Reason: To ensure the Committee remain updated on the Council's corporate governance.

38. REVIEW OF THE CONSTITUTION

The Committee confirmed it would consider several articles at the meeting which included Articles 5, 6, 9, and 11 from the proposed constitution. Members were also updated on the work of the cross party working group the Committee had requested be set up to consider several parts of the proposed constitution. It was confirmed that proposed changes made by the cross party working group would come back to a meeting of this Committee for consideration prior to being considered by a meeting of Full Council.

Article 5 related to The Lord Mayor of York, the Sheriff of York And Chairing the Council. Members discussed the position carried over from the current constitution of the Deputy Sheriff. Members noted the concerns about the need for the role by the

group of former sheriffs, it was also confirmed that it had been included originally due to the unavailability of a previous named sheriff which meant an interim or deputy had been named until that individual was available. The Committee agreed that the ability to name a deputy sheriff could be a value function to provide additional resilience to the Civic Party but requested that the article be worded to note that it would only be used if circumstances required.

Members also highlighted the impact of gendering roles such as Lord Mayor which could be held by people of any or no gender. It was noted that studies showed that women were less likely to pursue a role that was gendered for a man. The Committee recognised that they could not change the title of Lord Mayor so requested that clarification be linked to whenever roles which did not need to be gendered but were appeared within the document. Accessibility was raised to being able to read the document online and officers noted that work would be undertaken to ensure accessibility, it was also confirmed that officers would look to provide hyperlinks where possible to the appendices for easier reading.

Article 6 related to The Leader of the Council and the Executive. The Committee enquired to the role of an Executive Member without portfolio and whether this role needed to be specified in the article. It was confirmed that this came as part of the Leaders powers to name up to 10 Executive Members who didn't require a specific portfolio, it was also confirmed that this was common practice in some Councils. 5.2 was raised and members requested that clarification be made that an Executive Member could only be disqualified from being a Councillor if they didn't attend a Council meeting for 6 months not simply a meeting of the Executive.

Article 9 related to The Audit and Governance Committee. The Committee discussed the inclusion of and the role of an independent member, Members were in agreement of the benefits of independent members but recognised that there were certain meetings an independent could not participate in. Officers outlined the options of subcommittee meetings to break up the Committees workload which should make it easier for an independent member to participate in relevant and appropriate Committee meetings.

Members enquired about 1.3 which had added that the Sheriff of York Could no longer be a Member of Audit and Governance. It was discussed whether this was necessary due to the role of the Sheriff in the Civic Party, it was noted that this had come at the request of a political group and outlined that a preserved issue that the public could see the role as a conflict had been provided as the reason for this inclusion.

The Committee voted 5 in favour and 1 against, in maintaining the wording of 1.3 as 'The Membership of the Audit and Governance Committee will not include in its Membership any Member of the Executive or the Lord Mayor or the Sheriff.' Councillor Mason did not vote as he had declared an interest at item 33 of the minutes, as the current Sheriff of York.

Members also discussed whether the convention that certain committees such as Audit and Governance should be chaired by a opposition councillor should be written into the Constitution. However, it was confirmed that conventions were just that and therefore, could not be included.

Article 11 related to Staffing Matters and Urgency Committee. Members discussed the role of Staffing Matters and Urgency Committee in staffing conditions and how this was reported. It was confirmed that those areas outlined in 3.6 would be reported to this Committee in an annual report before being reported to Full Council as part of this Committees annual report.

Members enquired about proportionality on Staffing Matters and Urgency Committee and whether the committee was currently proportionate. Officers confirmed that while it was difficult to break down four places the committee did meet proportionality and that this could be more visible if Council choose to include more members on the committee. Members asked whether a breakdown of proportionality could be included in the Constitution, officers recommended that it be made available on the Council's website and could be linked to the Constitution that way.

Finally Members enquired about how the Constitution would be kept up to date and it was confirmed that 6 monthly reviews would be undertaken and an annual fitness for purpose test would also be carried out. Enquiries were also made to how a

new committee could be proposed, officers confirmed this could be proposed now and would require Full Council approval.

Resolved:

- i. That the Committee voted in favour of maintaining the wording 'The Membership of the Audit and Governance Committee will not include in its Membership any Member of the Executive or the Lord Mayor or the Sheriff.'
- ii. That Article 5 2.1 in the proposed Constitution be amended to read 'The Sheriff of York will be elected by the Council at its Annual Meeting. The Sheriff may if circumstances require appoint a Deputy. The Sheriff of York will have the following responsibilities, acting as an ambassador for the City locally, nationally and internationally, supporting its elected First Citizen, the Lord Mayor.';
- iii. That links in the proposed Constitution be added to provide clarification to titles where they were unnecessarily gendered;
- iv. That Article 6 5.2 be amended to clarify that a Executive Member could only be disqualified from being a Councillor if they didn't attend a Council meeting for 6 months not simply a meeting of the Executive;
- v. That the proportionality of the Council be published on the Councils website and linked to the Council's new Constitution when/if it is approved by Full Council;
- vi. Noted the work of the cross party working group and the role of the review of the Constitution to the Action Plan.

Reason: To ensure that the Council Constitution is accurate and is fit for purpose to effectively support the service delivery and decision making responsibilities of the Council in a lawful and financially compliant manner. Also to ensure that the Council is working towards the delivery of the Action Plan in response to the Public Interest Report.

39. INTERNAL AUDIT & FRAUD PLAN & PROGRESS REPORT

The committee received a update on the work of internal audit and counter fraud as outlined in the annexes to the report. Discussion took place regarding the list of current priorities for current internal audit work, it was confirmed that internal audit would aim to cover each area prior to the end of year, but noted that some had been added to this year's list from last year due to the impact of Covid on services.

Members enquired about the process for determining when an audit should take place and the benefits of unannounced audits verse those that a department was prepared for. It was confirmed that internal audit aimed to work with managers to improve services through the auditing process and so a collaborative practice was seen across the industry, with unannounced audits only used for specific issues. It was also noted that audit attempted where possible to allow services to focus on delivery and commit to an audit at a different time in circumstances such as staff absence or a new computer system. Members enquired about senior staff requests for audits and it was confirmed that this was often requested to seek a source of assurance that a service is performing well.

Resolved:

- i. Noted the progress made in delivering the 2021/22 internal audit work programme, and current counter fraud activity.

Reason: To enable members to consider the implications of audit and fraud findings.

40. AUDIT AND GOVERNANCE WORK PLAN

The Committee considered its work plan for 2021/22

Resolved:

- i. That the Committee Work Plan be noted.

Reason: To ensure that the Committee manages its work plan effectively.

Councillor Pavlovic, Chair

[The meeting started at 5.34 pm and finished at 8.40 pm].