



**Notice of a public meeting of
Audit & Governance Committee**

- To:** Councillors Derbyshire (Chair), Steward (Vice-Chair), Lisle, Cuthbertson, Kramm, Williams and Mason
Mr Mann and Mr Mendus (Independent Members)
- Date:** Wednesday, 20 June 2018
- Time:** 5.30 pm
- Venue:** The Snow Room - Ground Floor, West Offices (G035)

AGENDA

1. Declarations of Interest

At this point in the meeting, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they might have in respect of business on this agenda.

2. Exclusion of Press and Public

To consider the exclusion of the press and public from the meeting during consideration of the following:

Exempt Annex A to Agenda Item 5 as it contains information:

- relating to individuals;
- which is likely to reveal the identity of individuals;

- relating to consultations or negotiations, or contemplated consultations or negotiations, in connection with labour relations matters arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority; and
- in respect of which a claim to legal professional privilege could be maintained in legal proceedings

This information is classed as exempt under paragraphs 1,2,4 and 5 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

3. Minutes (Pages 1 - 4)

To approve and sign the minutes of the meeting of the Audit & Governance Committee held on 30 April 2018.

4. Public Participation

It is at this point in the meeting that members of the public who have registered their wish to speak can do so. The deadline for registering is by **5:00pm on Tuesday 19 June 2018**.

To register please contact the Democracy Officer for the meeting, on the details at the foot of this agenda.

Filming, Recording or Webcasting Meetings

Please note that, subject to available resources, this meeting will be filmed and webcast, or recorded, including any registered public speakers who have given their permission. This broadcast can be viewed at: <http://www.york.gov.uk/webcasts>.

Residents are welcome to photograph, film or record Councillors and Officers at all meetings open to the press and public. This includes the use of social media reporting, i.e. tweeting. Anyone wishing to film, record or take photos at any public meeting should contact the Democracy Officer (whose contact details are at the foot of this agenda) in advance of the meeting.

The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner

both respectful to the conduct of the meeting and all those present.
It can be viewed at:

http://www.york.gov.uk/download/downloads/id/11406/protocol_for_webcasting_filming_and_recording_of_council_meetings_20160809.pdf

5. Observations and Learning from the LGA Review into the Conduct of the Audit and Governance Committee on 22nd February 2017 (Pages 5 - 10)

This report is provided for Committee members to consider the recommendations in the LGA report that relate to Audit & Governance Committee.

6. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Laura Clark

Tel: (01904) 552207

Email: Laura.Clark@york.gov.uk

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

**Ta informacja może być dostarczona w twoim
własnym języku. (Polish)**

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

City of York Council

Committee Minutes

| | |
|-----------|---|
| Meeting | Audit & Governance Committee |
| Date | 30 April 2018 |
| Present | Councillors Derbyshire (Chair), Lisle, Shepherd, Cuthbertson, Fenton, Steward and D Taylor (Substitute for Councillor Kramm) Mr Mann and Mr Mendus (Independent Members) |
| Apologies | Councillor Kramm |

65. **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. None were declared.

66. **Minutes**

Resolved: That the minutes of the meetings held on 7 February and 11 April be approved and then signed by the Chair as a correct record, subject to the following amendments:

7 February 2018:

49. In response to a member question it was explained that, like many other local authorities, CYC employed an external audit a *treasury management* provider.

50. ~~Veritau~~ *Mazars* officers were in attendance to present the report and to respond to queries.

The auditor explained that a change to reporting deadlines would lead to an increase in incomplete audits reported in *quarterly interim* reports but members were reassured that audits would still be conducted to time.

53. It was explained that work was being ~~doing~~ done to complete one comprehensive spreadsheet of all the Council's corporate and commercial premises, and to ensure appropriate surveys were completed of all properties.

67. Public Participation

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

Councillor Mark Warters, a Member of the Council, spoke on his concerns at the delay in publishing the report into the conduct of the Audit & Governance Committee on 22 February 2017. He also raised further concerns in relation to historic procurement issues.

Mr Laverack, a resident, spoke about a lack of transparency and his concerns that Freedom of Information requests are not dealt with and that residents have been blocked on social media.

Mr Hammill, a resident, also spoke on transparency issues. He stated that residents should have a right to question the Council and urged the Committee to deal with these issues.

Mr Fisher, a resident, spoke in relation to Members' right of access to information. He suggested that Members should have the right to access any information held by the Council of which they are a Member, although they may be asked to sign a confidentiality agreement. He also stated that they should receive all necessary papers within the usual statutory deadline of 5 working days ahead of the meeting.

Ms Swinburn, a resident, spoke on her concerns that Members had yet to receive the unredacted report into the conduct of the Audit & Governance committee on 22 February 2017. She felt this showed a lack of trust between Officers and Members. Finally, she stated that this was a report written by a consultant and, as such, she felt it should not be titled an 'LGA report'.

68. Exclusion of Press and Public

Members expressed their disappointment that they had not yet received an unredacted version of the report (Annex A to Agenda Item 5). They stated they did not believe it was acceptable, or appropriate, for them to be asked to consider the full list of recommendations, or to make further recommendations, without having had advance sight of the report.

It was also suggested by Members that this report should be renamed ahead of the next meeting, as they did not consider this an LGA report.

Resolved: That Item 5 (minute Item 69) be deferred to a future meeting of the Audit & Governance committee, with the unredacted report being shared with Members of the Committee no less than 5 working days prior to the meeting.

Reason: To allow Members to fully consider the report and the recommendations ahead of discussing the item in private session.

69. Observations and Learning From The LGA Review Into the Conduct of the Audit and Governance Committee on 22nd February 2017

This item was deferred to a future meeting of the Audit and Governance Committee (date TBC). See minute item 68.

Councillor Derbyshire, Chair
[The meeting started at 5.30 pm and finished at 5.55 pm].

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Audit & Governance Committee

20 June 2018

Report from Chief Executive

Observations and Learning from the LGA Review into the Conduct of the Audit and Governance Committee on 22nd February 2017

Background Summary

1. At the 11 April 2018 Audit & Governance Committee, Members resolved that this item be deferred to a private meeting. The reason for this was that Members requested an un-redacted version of the LGA Report to be able to understand in context those recommendations that relate to improving governance arrangements needed for the A&G Committee going forward. Members agreed at the last A&G Committee that the public interest in maintaining the exemption outweighs that of disclosing it, and therefore the public will be excluded from the meeting and the LGA Report will remain exempt from publication. The Confidential Report is within the Annex.
2. The LGA review was commissioned by the then Leader (Cllr Carr), the then Deputy Leader (Cllr Aspden) and the current Chief Executive (Mary Weastell). The Terms of Reference were as follows

To look at the 22 February 2017 Audit and Governance Committee meeting with the terms of reference as follows:-

- *consider the governance and decision making processes including preparation for the meeting and the handling of private items;*
- *consider overall conduct of the meeting itself and input and interaction by the Chief Executive, Section 151 Officer, Monitoring Officer, Auditors, Members of the Committee and members of the public; and*

- *recommend any improvements to the Governance arrangements needed for this Committee and any other actions.*
3. It is noted that at minute 48 (iii) of the Staffing Matters and Urgency Committee on 11 December 2017, it was resolved that:

“(i) no further action be taken and the relevant parties (Officers affected and complainants) be informed accordingly:

(ii) wider cross party discussions be organised with Group Leaders, initially to develop agreed joint approach to improving organisational culture

(iii) an appropriate report be produced for circulation to Audit & Governance Committee Members in the first instance identifying the issues raised in the independent report from the investigator appointed by the LGA.

Reason: To enable complaints to be considered and next steps determined. “

Observations and learning recommendations from the LGA Review for Audit & Governance Committee

4. The following section identifies the recommendations from the LGA Report which have not been concluded through other processes and information on action to date.
5. ***Recommendation 1*** - *Both the Chair and Vice Chair should be briefed prior to a meeting.*
6. Officers involved in this meeting (22 February 2017) confirmed that a briefing was provided to the Chair, but that the Vice Chair was not briefed. The Chair requested the brief on the day of the meeting. The brief given was of a legal nature and therefore neutral in its content.
7. The Chair and the Vice Chair of Audit Committee are offered briefings before each Audit and Governance meeting. It is recommended to make the briefings mandatory for the Chair and Vice Chair of Audit & Governance.
8. ***Recommendation 3*** - *Chairs should be given training and guidance in order to ensure that meetings are conducted in an orderly fashion, and are able to apply appropriate intervention when necessary.*
9. Chair training is covered within the new Councillor Induction. However, it is recommended to provide focussed Chair training to Chair and Vice-

Chairs as soon as possible, this will also include bespoke training around data protection and confidential privilege.

10. Currently all new Members are trained on induction and all existing Members are invited to attend at least one course during the life of the Council. However we are recommending a refresh of the member training programme based on the changing needs of the council.
11. **Recommendation 9** - *Care should be given to booking rooms that are fit for purpose.*
12. Care will be taken at all times to ensure the room is a suitable size for the meeting.
13. **Recommendation 10** - *There is no requirement for a security guard unless advance information dictates otherwise.*
14. The Council do not employ security guards, security services are provided through a contract and security staff are present at West Offices during opening hours. During evening meetings the security staff are present to facilitate public participation, gaining entry to the building and the meeting room, as well as ensuring members of the public have access to the toilet facilities.
15. For the meeting on 22 February 2017, the Council was aware of the increase of interest through social media of the agenda items and our expectation was that there would be a higher level of public attendance at the meeting and therefore the need for the security staff to facilitate the movement of the members of the public.
16. **Recommendation 12** - *That the Council works actively to address the heritage governance issues and strives to demonstrate transparency so as to ensure that future meetings proceed in a more appropriate fashion.*
17. A number of peer reviews have been carried out in recent years, demonstrating the Councils willingness to benefit from external views, and to continue to improve. This included a peer review that reported to Audit & Governance in January 2015, and a peer review reported to Executive July 2016. In addition the LGA did a review of procurement during 2018, with this reported to Audit & Governance.

18. There are many standard elements to the package of training provided to new Councillors upon their election and for their induction into being a City of York Councillor. Essential training on the Councillor Code of Conduct is one such essential element. All members new to the Council received this specific training upon their election in 2015. Existing Members were offered (and some attended) the session as a refresher. Most recently, newly elected Members for Micklegate, Hull Road and Holgate wards have been given this training following their success at By-elections in 2017 and 2018. A full induction programme, incorporating Code of Conduct training, will be given to all newly elected Members following the May 2019 local elections and key elements of this (again including Code of Conduct training) will be offered as a refresher.
19. Officers and Members have done a significant amount of work over the past 2 years to improve the effectiveness and Governance of the Council including:
- Member Training and Induction;
 - Members review of code of conduct;
 - Specific training for the Audit Committee – this includes a full day of training provided by CIPFA and regular training in advance of the Audit Committee meeting on a wide range of issues;
 - Performance for FOI's has improved, and all aspects of the transparency code are complied with;
 - New communications protocols;
 - A new Social Media Policy has been approved to assist with expectations of social media use;
 - New Values and Behaviours for Staff and Members have been introduced;
 - New arrangements for Scrutiny introduced;
 - Refreshed Senior Leadership Forums, including Corporate Leadership Group and Leading Together on governance and transparency;
 - Introduction of the cost control board
 - Improved decision making and forward planning process; and
 - Staff Engagement events are held regularly.
20. A professional working relationship between officers and members based on mutual trust and respect is crucial to the good governance of the Council. Officers provide professional advice and guidance to Members on issues, and it is for Members to make decisions having regard to that advice, acting reasonably and within the law for the benefit of the

communities they serve. The Staffing Matters and Urgency committee recommended a cross party working group, via Group Leaders, be established to build on ensuring the organisational culture promotes a strong professional relationship of trust and confidence. This will consider a range of issues. There may be matters arising from this review by Group Leaders that require Audit and Governance committee input/consideration at a later date.

21. Officers commit to the organisational culture of transparency, but there are times when there are legitimate reasons to keep matters confidential in the public interest. At times a balanced judgment must be made about whether the disclosure of information is in the public interest. Some decisions are finely balanced, and require members to consider advice received, when applying the relevant legal public interest tests.
22. As members are aware there has been discussion within the committee about the potential to review the effectiveness of the A&G committee. A report was brought to a recent meeting, but was deferred at the request of a member of the committee, pending the outcome of a similar review at a Fire Authority. It is suggested that this report should be brought before a future A and G meeting.

Consultation

23. The Leader and Deputy Leader have been briefed on the broad content of this report prior to submission to Audit & Governance.

Recommendations

24. That the Committee:
 - (i) consider the observations and learning from the LGA Report and the response from Officers on actions to take forward;
 - (ii) make any further recommendations for improvement that would support them in their roles on this committee; and
 - (iii) receive a report on options for a review of the effectiveness of the committee at a future meeting of the A&G Committee.

Contact Details

Author: Ian Floyd,
Deputy Chief Executive

Chief Officer Responsible for the report:
Mary Weastell, Chief Executive

Report
Approved

Date 20 April
2018

Mary Weastell, Chief Executive

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Annexes:

Exempt Annex A

This information is classed as exempt under paragraphs 1,2,4 and 5 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

Background Papers:

None