

CIVIC AFFAIRS29 June 2016
6.00 - 7.40 pm

Present: Councillors McPherson (Chair), Benstead (Vice-Chair), Cantrill, Gawthrope, Holt and Robertson

Officers:

Chief Executive: Antoinette Jackson

Head of Finance: Caroline Ryba

Principal Auditor: Bridget Bishop

Principal Accountant (Technical and Financial Accounting): Charity Main

Democratic Services Manager: Gary Clift

Committee Manager: Sarah Steed

Other Persons:

Independent Person: Sean Brady

Deputy Independent Person: Rob Bennett

FOR THE INFORMATION OF THE COUNCIL**16/75/Civ Apologies for Absence**

Apologies for absence were submitted from Simon Pugh, Head of Legal Services.

16/76/Civ Declarations of Interest

No interests were declared.

16/77/Civ Minutes of Previous Meeting

The minutes of the meetings held on 16 and 26 May 2015 were approved as a correct record and signed by the Chair.

16/78/Civ Public Questions

There were no public questions.

16/79/Civ Officer Delegated Decision

Noted the Officer Delegated Decision made regarding the implementation of the National Joint Council Pay Award for 2016-18.

16/80/Civ Review of Members' Allowances Scheme

The committee received a report from the Independent Remuneration Panel which contained recommendations following a review of the current Members' Allowances Scheme. The committee noted the total figure in the table in paragraph 4.3 of the officer report should read £41,913

Councillor Robertson made the following points which also proposed some amendments to the Independent Panel's recommendations:

- a) In recognition of the onerous and time consuming nature of their work the extra responsibility paid to members of the Licensing Committee should not be scrapped.
- b) The council already support councillors by providing new laptops when requested. This should continue to be the case but the automatic issue of laptops or tablets is not agreed.
- c) Claimable allowance such as for travel, subsistence and carer are felt to be adequate but carers should be paid at least the Living Wage.
- d) The suggested provision of a meal at the break at main Council meetings is not supported.

He also recommended to the Panel that the Oxford City Council scheme sets a basic allowance and then adds Special Responsibility Allowances as multiples of that. The Panel is requested to consider for the second stage of their work that sort of scheme as one possibility. The Committee agreed and the Panel acknowledged this request.

The committee noted that by accepting not to scrap the Licensing Committee special responsibility allowance the savings would be reduced by £5,004 and the total would be £46,917.

Resolved to recommend to Council:

To adopt the amended interim recommendations of the Independent Remuneration Panel:

Basic Allowance

- i. The Area Committee Allowance be removed and the sum consolidated into the Basic Allowance.
- ii. (By 4 votes to 2) The Basic Allowance be re-aligned to the National Living Wage and thereafter be indexed in line with National Living Wage increases in order to rectify the anomalous situation which has arisen through failing to index link Councillors' Allowances. By 1st April 2016 the national minimum wage will have increased by 25.6% from £5.73 per hour in 2008, (when current Allowance payments were last set) to £7.20 per hour. The Basic Allowance should be increased by the same percentage to £4,300 with effect from the 2016/17 municipal year.
- iii. (By 4 votes to 2) This increase be applied immediately, in full, since it will only bring the Basic Allowance closer to, rather than on a par with, that paid to Members of comparable Councils.

Special Responsibility Allowances (SRAs)

- iv. As an interim measure, pending the outcome of a more comprehensive review of SRA payments, that the Planning Committee Chair's SRA be increased by £1,000 to £3,226 pa to bring the allowance payment for this role closer to that paid by comparable authorities. That other allowances for the Planning Committee (ie for Vice-chair and Members) remain the same.
- v. As an interim measure, that SRAs be removed from Vice Chairs of all committees other than that of the Planning Committee and that the SRAs to all members of committees (with the exception of the Licensing, Planning and Joint Development Control Committees) be discontinued. This saving could be reallocated to part fund the recommended changes to the Basic Allowance, the Planning Committee Chair's allowance or expenses.
- vi. With the exceptions outlined above, other SRAs remain as they are for the present, and a further detailed review of SRAs be conducted within 6 months when the impact of current developments in Councillor roles and responsibilities is clearer. The objective of this review will be to produce an internally consistent scheme for Basic and Special Responsibility Allowances which will be appropriate to current Councillor roles and responsibilities.

IT/Expenses

- vii. As part of the move to increase efficiency and reduce waste, IT support be enhanced for councillors. (The Panel understand that there are IT support issues within the Council which should be resolved). This will produce efficiencies in the longer term. The council already support councillors by providing new laptops when requested. This should continue to be the case but the automatic issue of laptops or tablets is not agreed.
 - viii. As the stationery expense is so out of date the claim for stationery expense be removed and a gross amount of £75 per councillor per annum be allowed in addition to the Basic Allowance. This is to cover stationery, mobile phone and other communication expenses.
 - ix. Apart from the changes outlined above travel, subsistence and carers' allowances remain the same but carers should be paid at least the Living Wage.
 - x. That the next full review of the Members' Allowances Scheme should take place not more than two years from the date of the Panel's report.
- 2.2 That Council approves the budgetary requirement for 2016/17 up to £46,917 from Reserves.

16/81/Civ Annual Report on Prevention of Fraud & Corruption Policy

The committee received a report from the Principal Auditor regarding the Annual Report on the Prevention of Fraud and Corruption Policy.

In response to members questions' the Principal Auditor said the following:

- i. The information contained within paragraph 3.14 of the Officer's report is collected by The European Institute for Combatting Corruption and Fraud. The City Council was in a fairly similar position to neighbouring and partner authorities, however specific authorities were not identified.
- ii. Analysis of results from our partner authorities within shared services was something that the Council needed to look at.
- iii. The drop in identified Housing Benefit Fraud identified in paragraph 3.7 was as a result of the transfer of this responsibility of this type of

investigation to the Department for Work and Pensions (DWP). A review would be carried out in 12 months.

Resolved (unanimously):

- i. Approved the changes recommended to the PFC Policy and Addendum at Appendix 1.
- ii. Approved the adoption of the Anti-Fraud and Corruption Strategy and Action Plan at Appendix 2.
- iii. Noted the details of the fraud / whistleblowing activity provided for the period 1 April 2015 – 31 March 2016 in section 3 of the report.

16/82/Civ Annual Internal Audit Opinion 2015 / 2016

The committee received a report from the Head of Internal Audit regarding the Annual Audit Opinion 2015/16.

In response to members questions' the Principal Auditor said the following:

- i. Table 2 on page 80 referred to one audit report for which no assurance had been given. In this case a draft report had been issued which is to be discussed with management in order to agree actions before a final report is issued and the assurance level confirmed.
- ii. Reference was made to the BACS payments process receiving limited assurance on page 85 of the agenda pack. A risk had been highlighted to officers and would be reviewed. Officers undertake post checks to identify any mal-payments.
- iii. The Audit Plans set out the number of days which will be spent on each audit and Internal Audit could look at the provision of an outturn report at the end of the year to show how many days were actually spent on audited areas against the planned audit time.
- iv. Internal Audit operates a three year cyclical programme of Key Financial Management Systems. They would look at the implementation of the new financial system. Sometimes amendments had to be made to the internal audit plan as the team had to respond to issues as they arose and if there were any requests for special investigations or requests from Management.

Resolved (nem con):

- i. The Committee reviewed and provided challenge to the opinion of the Head of Internal Audit.

16/83/Civ Assurance Framework, Draft Annual Governance Statement and Draft Code of Corporate Governance 2015/16

The committee received a report from the Head of Legal Services and Monitoring Officer and the Head of Internal Audit regarding the Assurance Framework, Draft Annual Governance Statement and the Draft Code of Corporate Governance 2015/16.

In response to members' questions the Principal Auditor said the following:

- i. Confirmed that a paragraph could be included to introduce the action plan and explain which actions are to address issues that had arisen and which actions are to address future challenges the Council faced.
- ii. Confirmed that a paragraph would be included detailing the relationship issue with Cambridge Live and the bonfire night incident.
- iii. A follow up of the Homelessness review referred to on page 103 of the agenda pack has just started and whilst all actions on the plan had been marked as complete on the Council's Risk Register, the Audit team are required to get evidence to support this.

Councillor Robertson commented that homelessness was an issue across the Country.

Councillor Cantrill commented that homelessness was a big issue and Winter Comfort had seen an increase in the number of homeless people. More homeless people were coming and were being sent to Cambridge.

Resolved (unanimously):

- i. To note the arrangements for compiling, reporting on and signing the Annual Governance Statement (AGS).
- ii. Reviewed the draft AGS and incorporated action plan (Appendix A) and had regard to the Head of Internal Audit Annual Opinion.
- iii. To make the Leader of the Council and the Chief Executive aware of any issue or amendments required to be made to the draft AGS and action plan prior to the approval of the final AGS and action plan.
- iv. Recommended to Council to approve the Code of Corporate Governance (Appendix B) on the 14 July 2016.

16/84/Civ Statement of Account 2015-16

The committee received a report from the Principal Accountant (Technical & Financial Accounting) regarding the Annual Report and Statement of Accounts for the year ended 31 March 2016.

In response to members' questions the Principal Accountant (Technical & Financial Accounting) said the following:

- i. The total opening reserves at 1 April 2015 were £569,467 but these were split between usable and unusable reserves with unusable reserves being the more significant proportion of reserves. The unusable reserves included for example significant balances on re-valuation of property which were not realisable until assets were sold.
- ii. The movements in usable reserves included the earmarked reserves which had been invested in commercial property, for example at Orchard Park and Haverhill. The reserves had been spent but value still sat on the balance sheet as investment property.
- iii. The reduction in the long term liability referred to on page 117 of the agenda pack, note 37 was due to a reduction in the pension liability estimated by actuaries.

Resolved (unanimously):

- i. To note the contents of the draft Statement of Accounts presented in Appendix 1 and approve the accounting policies and treatments on which they were prepared.

The meeting ended at 7.40 pm

CHAIR