

**CIVIC AFFAIRS**24 July 2019  
5.30 - 7.00 pm

**Present:** Councillors McPherson (Chair), Chadwick, Dalzell, Davey and Thornburrow

**Officers:**

Chief Executive: Antoinette Jackson

Head of Finance: Caroline Ryba

Head of Human Resources: Deborah Simpson

Head of Shared Internal Audit Service: Jonathan Tully

Democratic Services Manager: Gary Clift

Electoral Services Manager: Vicky Breeding

Committee Manager: James Goddard

**Others Present:**

Ernst &amp; Young External Auditor: Suresh Patel

Independent Person: Rob Bennett

Independent Remuneration Panel Member: Jane Phillips

**FOR THE INFORMATION OF THE COUNCIL****19/20/Civ Apologies**

Apologies were received from Councillor Sargeant.

**19/21/Civ Declarations of Interest**

<b>Name</b>	<b>Item</b>	<b>Interest</b>
Councillor McPherson	19/13/Civ	Personal: Former Mayor and Deputy Mayor.

**19/22/Civ Minutes**

The minutes of the meetings held on 13 and 22 May 2019 were approved as a correct record and signed by the Chair.

Councillor Thornburrow clarified was the Spokesperson for Joint Development Control Committee following his election as Vice Chair at the first meeting. This information became available after the 13 May Civic Affairs Committee.

### **19/23/Civ Public Questions**

Councillor Porrer submitted a written question asking if the Chief Executive could confirm that she would be willing to take forward my request to investigate whether proxy voting for members on parental leave would be possible for council meetings (as now being trialled in the UK parliament), and that a report on this would be put forward to the next Civic Affairs committee in October 2019.

The Chief Executive advised the committee that she had explained to Councillor Porrer that she did not know whether it was possible to apply this within local government law, but a report to explore the issue could come to the next meeting.

### **19/24/Civ Review of Elections 2 May 2019**

The Committee received a report from the Chief Executive.

The Committee made the following comments in response to the report:

- i. The Elections Team had to organise 23 May European election with just 6 weeks' notice. They had done a good job under the circumstances. Councillors queried how the situation could be handled in future if a general election occurred at short notice.
- ii. The Officer's report suggested some issues were within the City Council's control and some were not. For example, the Central Government website omitted key election information for (non-UK) EU citizens.
- iii. An unreliable postal system led to issues affecting the return of forms.
- iv. Email filters may block messages so bulk email was not a reliable method of communication (instead of hard copies by mail). Given the short timescales involved, coupled with a need to communicate quickly the decision was taken to e-mail those electors where an e-mail address was held and to send letters to the remainder. As referenced in '*lessons learnt*' there was a need to check emails had been received.

The Electoral Services Manager said the following in response to Members' questions:

- i. All forms said a clear/legible scanned image could be returned by email instead of sending hard copies by post and this would be highlighted at future polls.
- ii. Some forms were received after the response deadline although people had paid a premium for next day delivery.
- iii. Council Officers would liaise in future with the Royal Mail about the issues experienced.
- iv. If people received no response from the City Council about a submitted application form, it was recommended they follow up to ensure it had been received. This would be promoted in future.
- v. The City Council had responded to all complaints from EU nationals who were unable to vote in the European election.
- vi. Expressed concern that development of European elector application forms (UC1's) by IDOX delayed the issue of information to EU citizens.

The Chief Executive made the following points:

- i. Various local authorities had been affected by the IDOX development issue when the company needed to do a system upgrade.
- ii. The Elections Team had processes to mitigate short notice election issues as much as possible.
- iii. The City Council enjoyed good and flexible relationship with polling stations so buildings could generally be used when needed.
- iv. The City Council would run elections on existing ward boundaries until they changed in May in 2020.

The Democratic Services Manager said following the review of ward boundaries by the Local Government Boundary Commission for England, a review of polling districts would be carried out during summer/autumn 2019. A (delayed) six-week consultation began on 16 July. Details would be updated on the City Council website.

**Unanimously resolved:**

- i. To note the Officer's report and provide feedback to the Returning Officer on issues the Committee would like to be considered in the management of future polls.
- ii. That the Returning Officer sends this report to the Cabinet Office and the Electoral Commission highlighting the issues experienced by EU electors in Cambridge in connection to EU Parliamentary elections on 23 May.

**19/25/Civ Oral update on the 2018/19 External Audit Process'**

The Committee received an oral report from the Ernst & Young External Auditor:

- i. The audit of council accounts was rescheduled to September 2019. This was due to a lack of resources in Ernst & Young to undertake City Council audit work, which reflected the national situation.
- ii. The situation was exacerbated by two staff leaving Ernst & Young in early summer.
- iii. The audit should take place 9 September and a report will be brought to the 9 October Civic Affairs Committee.
- iv. The External Auditor was confident the situation would not arise in future.

The Committee made the following comments in response to the report:

- i. This was the second time in one week that Ernst & Young had not been able to complete an audit.
- ii. Sought assurances that the audit would be complete by September. Asked for early notification if this would not be possible.
- iii. Queried if Ernst & Young could meet its audit obligations.
- iv. The council was struggling to recruit staff for services as Ernst & Young were. This needed to be reviewed as a matter of urgency as Cambridge was a competitive job market.

The External Auditor said the following in response to Members' questions:

- i. The intention was to have resources in place to allow the audit to be reported back in October. He would liaise with the Head of Finance to facilitate this.
- ii. The External Auditor had liaised with the Head of Finance to check what the Council's responsibilities were. Statutory deadlines would not be missed through the delay in account sign-off. The Council has published that it was not able to publish its accounts as the audit was not complete. It had fulfilled its obligations to date. Re-iterated the accounts should be published in October.

The Head of Finance made the following points:

- i. The Council had not met the draft deadline of publishing its draft accounts 31 May 2019. The process will be reviewed to streamline it for 2020.
- ii. Not publishing the statement of accounts did not impact on Council finances, which were healthy.
- iii. The accounts had been completed. Draft accounts should be published circa 26 July after being checked.
- iv. The delay in publication of accounts was caused by:
  - a. Complex accounts.

- b. Loss of staff/expertise.
- c. New staff had to grasp council processes in a short period of time.
- v. A number of process improvements had been identified for 2020 including the hand-over of arrangements from interim senior staff to new ones.

The Independent Person commented that local authority accounts were complicated, and City Council accounts even more so, so he understood why it was possible to miss the audit deadline.

**Unanimously resolved** to note the oral update.

### **19/26/Civ Annual Report on Counter Fraud and Corruption**

The Committee received a report from the Head of Shared Internal Audit Service regarding the annual review of the Councils counter fraud arrangements. It also set out a summary of fraud/whistle-blowing activity for the period 1 April 2018 to 31 March 2019.

The Committee made the following comments in response to the report:

- i. County Lines was a widely publicised area of serious crime.
- ii. There was a risk of 'cuckooing' in social housing. (Criminals taking over properties occupied by vulnerable adults in order to use them as bases for drug dealing.)
- iii. Cambridgeshire Police had been doing a lot of work to reduce cuckooing in the city, but this had pushed drug dealing/taking into open spaces instead.

The Head of Shared Internal Audit Service said the following in response to Members' questions:

- i. The Council had recognised the risk regarding cuckooing and was addressing the issue by working in partnership with other organisations.
- ii. A serious organised crime review had been undertaken across the council, noting good practice guidance from Central Government.
- iii. The Whistleblowing Policy set out how people could report concerns. They were encouraged to do this internally first before reporting externally.

**Unanimously resolved** to note the details of fraud/whistle-blowing activity in section 3 of the Officer's report.

### **19/27/Civ Annual Head of Internal Audit Opinion**

The Committee received a report from the Head of Shared Internal Audit Service regarding his opinion on the overall adequacy and effectiveness of the organisation's internal control environment, governance, and the risk management framework.

The Head of Shared Internal Audit Service said the following in response to Members' questions:

- i. An update would be provided at a future committee on how the new project management system was working.
- ii. The County Council had responsibility as the Lead Local Flood Authority to produce a Flood Risk Management Strategy. (Councillors had expressed concern that city drains and the water treatment centre were not able to cope which could lead to flooding.) The City Council had reviewed its responsibilities (working on its own and with the County Council as part of the Cambridgeshire Flood Risk Management Partnership) and these had been met.
- iii. Information/computer security was critical. Varied audit work had been undertaken:
  - a. Huntingdonshire District Council completed ICT audits as the lead shared service for ICT.
  - b. The ICT Team had undertaken testing to be compliant with accredited standards, such as the Public Services Network.
  - c. The Internal Audit Service completed GDPR reviews and also tested general ICT controls as part of system reviews.

**Unanimously resolved** to note the annual opinion of the Head of Shared Internal Audit.

### **19/28/Civ Annual Governance Statement and Local Code of Corporate Governance**

The Committee received a report from the Head of Shared Internal Audit Service which provided:

- An update on the progress of actions identified in the previous year.
- Reported the annual review of effectiveness and any new governance issues.
- Provided an update of the Local Code of Corporate Governance.

In response to Members' questions the Head of Shared Internal Audit Service said that if there were any changes to the Annual Governance Statement, these would be brought back to committee at the next meeting.

The Chief Executive said the following in response to Members' questions:

- i. A report on lessons learnt from 'Cambridge Live' being brought back in-house in December 2018 would be presented to Environment and Community Scrutiny Committee when the review was completed. Themes from this could feed into the Civic Affairs Annual Governance Statement.
- ii. The Annual Governance Statement was presented to committee in advance of the Statement of Accounts to even out committee workload.

The Chief Executive proposed to amend the Officer recommendation as follows:

Approve the **draft** Annual Governance Statement in advance of the Statement of Accounts.

The amendment was **unanimously agreed**.

**Unanimously resolved to:**

- i. Approve the draft Annual Governance Statement in advance of the Statement of Accounts. To help complete this members noted:
  - the arrangements for compiling, reporting on and signing the AGS;
  - the progress made on issues reported in the previous year;
  - the current review of effectiveness
  - the issues considered for inclusion in the current AGS;
- ii. Note and endorse the amendments to the updated Local Code of Corporate Governance.

### **19/29/Civ Review of Officer Employment Procedure Rules**

The Committee received a report from the Head of Human Resources asking Civic Affairs Committee to consider and recommend to Full Council changes to the Officer Employment Procedure Rules in relation to the level of post for which Executive Notification is required.

**Unanimously resolved** to approve and recommend to Full Council that:

- i. Part 41: Officer Employment Procedure Rules be amended to include the following statement:

#### **Other Employees**

Appointment of employees at head of service level and below is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Councillors.

- ii. 2.1.2 Part 41: Officer Employment Procedure Rules be amended to include the following statement:

#### **Director Posts**

A committee of the Council appointed for that purpose will appoint Director level posts. The Executive Notification process will be undertaken for these roles.

- iii. The Head of Human Resources and Head of Legal Services be given delegated authority to update Constitution in Part 41: Officer Employment Procedure Rules to include the approved statements.
- iv. The Head of Human Resources and Head of Legal Services be given delegated authority to update the Constitution in Part 41: Officer Employment Procedure Rules to modify the remaining paragraphs to simplify and clarify the text in line with the practice of South Cambridgeshire and Huntingdonshire District Councils.

### **19/30/Civ Mayoral Allowance**

The Committee received a report from the Democratic Services Manager asking them to consider the report and recommendations from the Independent Remuneration Panel regarding the Mayor and Deputy Mayor's Allowances with effect from 2019/20.

The Independent Remuneration Panel Member said there was a lack of clarity on spend by all incumbents interviewed which led to one of the recommendations.

Councillor McPherson said the Deputy Mayor stood in for the Mayor on a number of occasions. The Officer's Report (P142) stated it was extremely rare for the Deputy Mayor to deputise for the Mayor.

**Unanimously resolved** to agree with the IRPs recommendations.

### **19/31/Civ Update on Issues on Standards for Councillors**

The Committee received a report from Head of Legal Practice regarding general update on the standards regime for city councillors and councillor appointments to outside bodies.



**Unanimously resolved to:**

- i. Note the update on the standards regime as outlined in the Local Government Ethical Standard Report referenced under paragraph 3.1.5 of the Officer's report and that an update report will be brought to the Committee next year.
- ii. Approve the *Guidance for Members and Officers who Serve on Outside Bodies* (Appendix A of the Officer's report).
- iii. Agree that a copy of the Officer's report be sent to all Members of the Council for information.

The meeting ended at 7.00 pm

**CHAIR**