



Selection and Constitutional Review Committee

Notice of a meeting, to be held in Committee Room No. 2 (Bad Münstereifel Room), Civic Centre, Tannery Lane, Ashford, Kent TN23 1PL on Thursday 5th March 2009 at 6.30pm.

The Members of this Committee are:-

Cllr. Clokie (Chairman)

Cllr. Bartlett (Vice-Chairman)

Cllrs Ayres, Bradberry, Davidson, Davison, Goddard, Mrs Heyes, Miss Hodgkinson, Kemp, Mrs Martin, Wells

NB: Under the Council's Public Participation Scheme, members of the public can submit a petition, ask a question or speak concerning any item contained on this Agenda (Procedure Rule 9 refers)

Agenda

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1. **Apologies/Substitutes** - To receive notification of substitutes in accordance with Procedure Rule 1.2(iii)
2. **Declarations of Interest** - Declarations of Interest under the Code of Conduct adopted by the Council on the 24th May 2007 relating to items on this agenda should be made here. The nature as well as the existence of any such interest must also be declared
3. **Minutes** – To approve the Minutes of the Meeting of this Committee held on the 11th December 2008

Part I – For Decision

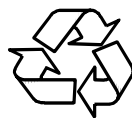
4. Annual Governance Statement – Progress on Remedying Exceptions for 2007/2008
5. Civic Twinning – Member Champion

Part II – For Information

None for this Meeting

DWS/EB
25th February 2009

Queries concerning this agenda? Please contact Danny Sheppard:
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Selection and Constitutional Review Committee

Minutes of a Meeting of the Selection and Constitutional Review Committee held in Committee Room No 2 (Bad Münstereifel Room), Civic Centre, Tannery Lane, Ashford on the **11th December 2008**

Present:

Cllr. Clokie (Chairman);

Cllr. Bartlett (Vice-Chairman);

Cllrs. Davison, Goddard, Mrs Heyes, Howard, Kemp, Mrs Martin, Wells.

In accordance with Procedure Rule 1.2 (iii) Councillor Howard attended as substitute member for Councillor Miss Hodgkinson.

Apologies:

Cllrs. Bradberry, Miss Hodgkinson

Also Present:

Cllr. Wedgbury

Chief Executive, Deputy Chief Executive, Member Services and Scrutiny Manager.

297 Minutes

Resolved:

That the Minutes of the meeting of this Committee held on the 1st October 2008 be approved and confirmed as a correct record.

298 Annual Governance Statement – Progress on Remediating Exceptions for 2007/2008

The report advised that under the Accounts and Audit Regulations 2003 the Council was required to review, at least once a year, the effectiveness of its systems of internal control and include a statement on internal control with the Council's Statement of Accounts. In June 2008 the Council published its Annual Governance Statement which identified a number of exceptions with regard to the systems of internal control. The report was the second quarterly update on the progress that had been made so far in remediating the exceptions in the Annual Governance Statement.

The Chairman advised that the Audit Committee had already considered the matters within their remit and it was for this Committee to deal with the issues relevant to its responsibilities. He, however, expressed concern at the situation regarding the

debtors system and enquired as to what views the Audit Committee had formed on this particular issue. The Deputy Chief Executive advised that a further report on this issue would be submitted to the Audit Committee in February 2009.

Resolved:

That the progress to date on resolving the exceptions identified in the 2007 – 2008 Annual Governance Statement be noted.

299 Appeals Committee – Terms of Reference

The report sought approval to amendments to be made to the Terms of Reference of the Appeals Committee arising from changes made to the Lettings Policy.

Recommended:

That the amendments as detailed within the report be made to the Appeals Committee's Terms of Reference in terms of when Appeals are heard and determined as a result of changes to the Lettings Policy.

300 Council Appointments to Outside Bodies/Organisations

The report advised of the need to make nominations to various positions on outside bodies.

Resolved:

- That**
- (i) Councillor Kemp be nominated to the appointment as the Member on the East Kent NHS Foundation Trust Board to represent Ashford and Swale Borough Council for the next two years.**
 - (ii) Councillors Clokie and Wood be nominated as Executive Members to the East Kent (Joint Arrangements) Committee and Councillors Burgess and Taylor together with a Member to be nominated by the Liberal Democrat Group, for the East Kent (Joint Scrutiny) Committee.**
 - (iii) Councillor Mrs Marriott be nominated to the vacancy on the River Stour Internal Drainage Board.**

(KRF/AEH)

MINS:SCRX0852

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Agenda Item No: 4

Report To: **AUDIT COMMITTEE AND
SELECTION & CONSTITUTIONAL REVIEW
COMMITTEE**



Date: 3RD FEBRUARY 2009 (AC)
5TH MARCH 2009 (S&CRC)

Report Title: **Annual Governance Statement – progress
on remedying exceptions for 2007-2008**

Report Author: Philip Bond – Senior Performance & Improvement Officer

Summary:

Under the Accounts and Audit Regulations 2003 the Council is required to review, at least once a year, the effectiveness of its systems of internal control and include a statement on internal control with the Council's Statement of Accounts.

In June 2008 the Council published its Annual Governance Statement which identified a number of exceptions with regards to the systems of internal control.

This report provides Members with their third quarterly update on the progress that has been made so far this year in remedying the exceptions in the Annual Governance Statement.

Key Decision: NO

Affected Wards: None

Recommendations **The Audit and Selection & Constitutional Review Committees be asked to note the progress to date on resolving the exceptions identified in the 2007-2008 Annual Governance Statement.**

Financial Implications: None

Risk Assessment YES – the Council must demonstrate adequate processes for remedying the control weaknesses identified in the 2007-2008 Annual Governance Statement otherwise it would be difficult to demonstrate compliance with the Accounts and Audit Regulations.

Background Papers: Annual Governance Statement 2007-2008

Contacts: Philip Bond
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Report Title: Annual Governance Statement – progress on remedying exceptions for 2007-2008

Purpose of the Report

1. The covering report to the 2007-2008 Annual Governance Statement undertook to provide the Audit Committee and Selection & Constitutional Review Committee with quarterly updates on the progress being made to rectify the exceptions identified within the 2007-2008 Annual Governance Statement. This report fulfils this obligation and provides members with their third quarterly update. The relevant Committee is shown in brackets.

Issues to be Considered

2. The progress made to date in tackling the significant control weaknesses identified in the 2007-2008 Annual Governance Statement.

Background

3. In the 2007-2008 Annual Governance Statement eleven significant control issues were identified. These control issues are detailed below and the progress that has been made to remedy them is shown in bold. For clarity the exceptions have been split into those that have already been remedied and those that haven't. To date 5 exceptions have been remedied with this report recommending that a further two be considered as remedied.

Not Remedied

Race Equality Scheme (S&CR)	The Council's Race Equality Scheme was due to be reviewed in 2005 and this review is still outstanding and needs to be urgently undertaken. – work on this is being done in parallel with the Equalities Impact Assessments currently being undertaken. The review of the Scheme has now been officially included within the Council's new Talent Management Programme (formerly known as the Council's Work Force Plan). It is anticipated that the Talent Management work programme will be finalised during February with the work on the review starting immediately thereafter.
Scheme of Public Participation. (S&CR)	The Council's Scheme of Public Participation (contained within the Constitution) needs to be reviewed to see whether more public engagement can be achieved. – the review of Public Participation has been deferred whilst we await government legislation following the Empowering People White paper. The whitepaper covered various aspects of public participation and it is prudent to await any

	<p>legislation that may be forthcoming and then review the council's procedures in light of the legislation.</p>
<p>Internal Audit follow-up reports and management actions (AC)</p>	<p>During 2007-2008 a potential control issue was identified which related to monitoring the actions taking by officers in relation to internal audit recommendations following an internal audit. To rectify this the Head of Internal Audit now submits a report to Management Team and the Audit Committee detailing follow-up audits which have found that earlier recommendations have not been implemented. Accordingly this control weakness is now considered to have been remedied. A review of the effectiveness of this new arrangement will be conducted during 2008-2009.</p> <p>– The Head of Internal Audit will be presenting his review of the new procedure to members earlier on the agenda for this meeting and members are accordingly asked to agree that this exception can now be considered to have been remedied.</p>
<p>Response to Internal Audit Reports (AC)</p>	<p>During 2007-2008 a control issue with regards to Responses to Internal Audit reports was identified. Heads of Service need to respond promptly and comprehensively to Internal Audit reports and on a number of occasions this did not happen. Instances where this happens will now be included in the Head of Internal Audit's report to Management Team and the Audit Committee. A review of the effectiveness of this new arrangement will be conducted during 2008-2009.</p> <p>– The Head of Internal Audit will be presenting his review of the new procedure to members earlier on the agenda for this meeting and members are accordingly asked to agree that this exception can now be considered to have been remedied.</p>
<p>Debtors (AC)</p>	<p>The internal audit of the Debtors system found that control assurance was limited. The follow-up audit noted that only one of ten recommendations had been implemented. A new Debtors system was introduced in April 2008 and it hoped that this will tackle the main issues of the audit. – A fresh audit was carried out in October 2008. The result of this audit gave a limited assurance. Further details have been provided to members by the Head of Internal Audit earlier in this meeting and in the report he has expressed his satisfaction with the action plan prepared by the Head of Financial Services to</p>

	deal with the issues raised in the audit. Further updates will be provided to this Committee by the Head of Internal Audit.
Grounds Maintenance (AC)	The initial audit concluded that control assurance was substantial. However, this opinion gave some consideration to the expectation that the audit recommendations would be implemented. The follow-up in May 2008 found that the majority of the recommendations had not been implemented – A second follow-up audit for this is scheduled to take place in 2009 and reported upon to the Audit Committee at its June meeting.

Remedied

Exception	Description/Action
Partnership Protocol (S&CR)	The Council established a Partnership Protocol in its Corporate Plan of 2000. Due to the increasing number of partnerships the Council engages in this protocol requires updating and re-issuing. – The Executive approved the Council's new Partnership Framework on 25th September 2008. This item is now considered to have been remedied.
Corporate Plan Review (S&CR)	In light of the recent developments in the Kent Local Area Agreement, Local Strategic Partnership and Sustainable Community Strategy a review of the Council's Corporate Plan needs to be undertaken to ensure it is still well aligned with these strategies and policies. – The refreshed Corporate Plan was adopted by the Executive on the 23rd October 2008. This item is now considered to have been remedied.
Section 106 income management. (AC)	During 2007-2008 a potential issue was identified relating to the receipt, tracking and use of monies received by the Council as part of Section 106 agreements. Although financial tracking of monies has now been embedded control of the spending of the monies is still weak. APMG now has responsibility for monitoring, on a monthly basis, section 106 income and spending. – Members approved this exception as being remedied at the Audit Committee meeting on 23rd September 2008.
Internal Control of bank reconciliations. (AC)	An Internal Audit review of bank reconciliation in August 2006 identified major areas of concern with regards to bank reconciliation. Major

	<p>improvements have been implemented since the report and if the year end audit of the Council's accounts by our external auditor does not highlight any issues with bank reconciliation then this exception will be considered to have been remedied. Bank reconciliation will continue to be monitored on a monthly basis through a local performance indicator. – the Audit Commission's audit of our accounts did not mention bank reconciliation as being an issue and therefore this exception is considered to have been remedied. The performance indicator introduced to monitor bank reconciliation will continue to be monitored by Management Team and reported to members.</p>
<p>ICT Security Policy (S&CR)</p>	<p>The internal audit of the ICT Security policy concluded that the control assurance was limited. A comprehensive and prompt response from the Head of ICT & Customer Services was received however due to the timing of the response the control weakness was still outstanding as of the 31st March 2008. – Internal Audit has conducted a follow-up audit and the assurance level for this item has now improved to substantial. This item is now considered to have been remedied.</p>

Conclusion

4. Progress to rectify the previously identified control weaknesses continues to be made and a further report will be provided in June 2009.

Portfolio Holder's Comments

5. Good progress has been made in remedying the previously identified weaknesses

<p>Contact: Email:</p>	<p>philip.bond@ashford.gov.uk</p>
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Agenda Item No: 5
Report To: **SELECTION & CONSTITUTIONAL REVIEW**
Date: **THURSDAY 5 MARCH 2009**
Report Title: Civic Twinning – Member Champion
Report Author: Tourism, Nature Conservation & Heritage Manager



Summary: The Executive of the 6 March 2008 agreed that a member be appointed to champion the Twinning Concordat between the Ashford Twinning Association and the Borough Council for a term of three years that co-incided with the European cycle of twinning visits. Cllr William Howard was subsequently appointed to this role. This report asks Selection & Constitutional Review to agree to extend the member champion role, which was initially for European twinning (twin towns of Bad Munstereifel and Fougères), to include the Council's twin town of Hopewell in Virginia, USA. The Leader of the Council, Portfolio Holder, Twinning Member Champion and the Friends of Hopewell Association have been consulted on and support this proposal.

Key Decision: NO

Affected Wards: All

Recommendations: **The Selection and Constitutional Review Committee be asked to agree that:-**

The role of the member champion for twinning be extended to include the Council's twin town of Hopewell in Virginia, USA.

Policy Overview: Meets the objectives of the Council's Corporate Strategy set out under Local Leadership and Strong Partnership Working

Financial Implications: None

Risk Assessment NO

Other Material Implications: None

Background Papers: Executive Committee Report - 6 March 2008

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