

FAREHAM

BOROUGH COUNCIL

Report to

Audit and Governance Committee

Date: 26 September 2022

Report of: Monitoring Officer

Subject: MONITORING OFFICER REPORT

SUMMARY

This report is a standard item on the Audit and Governance agenda and seeks to update Members on a variety of assurances which are within the functions of the Committee but do not require a full report in their own right. It includes the Committee's work programme and asks Members to consider updates to the Council's Constitution. This report is set out in two parts. Part One provides details of items for noting and Part Two sets out those items for approval or endorsement.

At this meeting Members are asked to note the annual report from the Local Government and Social Care Ombudsman (LGSCO) and the overview of complaints against Members of the Council.

There are also four amendments to the Constitution which Members are asked to consider before recommending to Council for endorsement.

RECOMMENDATION

It is RECOMMENDED that the Committee: -

- a) note the contents of Part One of the report, including the Local Government and Social Care Ombudsman (LGSCO) annual letter and the overview of complaints against Members of the Council; and
- b) recommend that Council endorse the updates to the Constitution set out in Part Two of this report.

INTRODUCTION

1. The Committees role is to seek assurance and provide a strategic overview to ensure efficient and effective reporting, control and assurance arrangements are in place. This report seeks to bring a way of reporting to the Audit and Governance Committee through the Monitoring Officer on items which are significant but do not justify a full report in their own right.
2. The various sections of this report are taken directly from the Committees Functions as set out in Part Two, Chapter 8 of the Constitution. To aid Members, Officers have provided details as to the Committees purpose within each section of this report.

Part One: Matters for noting

ACCOUNTABILITY

3. The Audit and Governance Committee publishes an annual report on its activities which provides details of the work that has been completed by the Committee against its functions. This report also sets out the proposed work programme items which will be brought to Committee within this municipal year. This work programme was endorsed by Council on the 21 April 2022. Appendix A is a simplified version of this Work Programme to allow Members to note the agenda items for the remainder of the municipal year.
4. From time to time there may be changes to the work programme. Officers will consult with the Chairman of these changes where necessary. There are a number of changes to the work programme approved by Council on the 21 April 2022 due to various operational or mitigating factors.
5. One change that officers would like to bring to the attention of the Committee is the delay in the Statement of accounts. As members will be aware, the External Auditors have been experiencing problems meeting all the reporting deadlines across their client base for a number of years and this year is no exception. We have therefore been informed that the external audit of the accounts for this Council will take place during October and November this year so will not be ready in time for the November meeting. It is hoped that the audited Statement of Accounts will be brought to the Committee early in 2023. A draft of the unaudited accounts will still be brought to the Committee at the November meeting.

Standards and Ethics

6. The Audit and Governance Committee responsibility for Standards and Ethics are to lead on the Council's duties under Chapter 7 of the Localism Act 2011, to design, implement, monitor, approve and review the standards of ethics and integrity of the Council both for councillors and employees and also to promote, maintain and strengthen high standards of conduct by members and co-opted members.

- As part of this function of the Committee, for the first time, the Council's Annual Ombudsman Report and Overview of Complaints Against Members is incorporated into the Monitoring Officer report for noting.

Local Government and Social Care Ombudsman (LGSCO)

- In 2021/22 the LGSCO received a total of 10 complaints about Fareham Borough Council and made 13 decisions. Cases are not always received and decided within the same financial year, which explains the discrepancy between the figures.
- The complaints received by the LGSCO related to the service areas summarised below. The titles are determined by the LGSCO so do not directly correlate with the services delivered by the Council:

Table 1: LGSCO Complaints against service area:

1	Benefits and Tax
3	Planning and Development
1	Housing
2	Environmental Services & Public Protection & Regulation
2	Corporate and Other Services
1	Highways and Transportation

- The outcome of the 13 decisions made by the LGSCO in 2021/22 are summarised below:

Table 2: Outcome of LGSCO decisions:

2	Upheld.
5	Not upheld following a detailed investigation.
5	Closed after initial enquiries.
1	Referred back for local resolution through the Council Complaints Procedure.

- Appendix B provides a summary of the complaints upheld by the LGSCO.
- Four complaints received in 2021/22 were not decided during the same year and will be included in the 2022/23 report.
- The LGSCO Annual Review Letter for the year 2021/22 is included as Appendix C.

Housing Ombudsman Service

- In 2021/22 one complaint about Fareham Borough Council was received by the Housing Ombudsman Service.
- The Housing Ombudsman Service determined that there was no maladministration by the landlord (FBC) in the handling of the resident's reports. They did, however, make three recommendations to support the resolution of the issues raised. These were completed by the Council on 24

September 2021.

Breaches of the Members Code of Conduct

16. In 2021/22 the Council Monitoring Officer received 27 complaints against members.
17. Of the 27 complaints received, 22 were resolved at an early stage of the complaints procedure as it was established that no breach of the code of conduct had occurred.
18. The outcome of the other five decisions are summarised below:

Table 3: Outcome of Monitoring Officer's decisions:

1	Written advice issued, but no breach of the code recorded.
1	Written instructions and advice issued.
1	Additional training required, written instructions and advice issued.
2	Minor breach of the code because of a genuine mistake. Apology offered to the complainant.

Part Two: Matters for approval or endorsement

Constitution Updates

19. The Monitoring Officer has delegated authority to update the Constitution arising from decisions of the Council, Executive or where legislation requires a change in wording, terminology. The Monitoring Officer has not used her delegated authority to make changes to the Constitution since the last meeting of the Audit and Governance Committee. However, Officers applied the changes agreed at the last meeting following their endorsement at the July 2022 Council meeting.
20. In this report the Committee is asked to consider the following changes before recommending to Council for endorsement: -
 - a) Following a review of the current contract signing process an amendment is required to Part One, Chapter 13, paragraph 13.7 and 13.8 of the Constitution with respect to the Common Seal of the Council. The proposed amendments at Appendix D, allow a digital solution for the signing of contracts for goods, services and works. This amendment will allow officers to reduce printing, postage and time, saving the Council money and helping to work towards the Council's Net zero target. The amendments have been made with consultation with the Southampton Legal Partners.

- b) The second amendment is to Part Five of the Constitution. As highlighted to Members at the last meeting, a review of this section of the Constitution has taken place by Officers as part of the wider ongoing Constitution review work. The Code of Conduct and Disciplinary Rules and Procedures relating to Employees is to be replaced with an updated version of the document, which is attached at Appendix E to this report. This Code has been the subject of consultation with the Trade Unions and agreement with them has been reached.
- c) Part four - Financial Regulations requires a small amendment following the annual review of the Internal Audit Quality Assurance and Improvement Plan for 2021/22. It was noted that additional wording to Financial Regulation 11.2 (Internal Audit) was needed in order to comply with Principle 3.31 of the CIPFA Statement on 'The Role of the Head of Internal Audit 2019'. The proposed wording is set out in Appendix F to this report.
- d) The revised Procurement and Contract Rules have now been in place for a few years and high levels of compliance have been found in the annual internal audit reviews. Following a review earlier this year a number of amendments have been identified to ensure the Procurement and Contract Rules continue this high level of compliance. A summary of changes is set out at Appendix G to this report.

21. Members are asked to endorse the updates above and recommend to Council for approval.
22. Officers will continue to review the Constitution and ensure its effectiveness and it is anticipated that further updates will be brought to the Committee at the next meeting.

RISK ASSESSMENT

23. There are no significant risk considerations in relation to this report:

Appendices:

Appendix A –	Work Programme 2022/23
Appendix B –	Summary of the Complaints Upheld by the LGSCO
Appendix C –	LGSCO Annual Review Letter – 2021/22
Appendix D –	Constitution - Part One - Chapter 13 – track changes
Appendix E –	Code of Conduct and Disciplinary Rules
Appendix F –	Constitution - Part Four – Financial Regulations – track changes
Appendix G –	Procurement and Contract Procedure Rules – Summary of changes

Background Papers:

The Council's Constitution

Council Agenda – 21 April 2022

Reference Papers: None

Enquiries:

For further information on this report please contact Sarah Robinson. (Ext 4566)