

## **LGBCE (15)6th Meeting**

Minutes of meeting held on 16 June 2015, at 9.30am, in View Studio 2, Millbank Tower, Millbank, London, SW1P 4QP

### **Commissioners Present**

Max Caller CBE (Chair)  
Professor Colin Mellors (Deputy Chair)  
Dr Peter Knight CBE DL  
Alison Lowton  
Sir Tony Redmond  
Professor Paul Wiles

Elizabeth Butler (items 1 & 2)      Independent Member of the Audit Committee

### **LGBCE Officers Present:**

Jolyon Jackson CBE	Chief Executive
Lynn Ingram	Finance Director
Marcus Bowell	Communications Manager
Tim Bowden	Review Manager
Richard Buck	Review Manager
Alison Evison	Review and Programme Manager
Johanna Porter	Review Officer (item 3)
Emily Starkie	Review Officer (item 10)
Alex Hinds	Review Officer (item 7)
Mark Cooper	Review Officer (item 8)
Mark Pascoe	Review Officer (item 9)
Karen Cleverly	Business Support Officer (minutes)

## **Apologies for Absence**

Apologies had been received from Sarah Vallotton.

## **Declarations of interest**

Richard Buck, Review Manager, declared an interest in item 4, West Sussex Council Size.

Lynn Ingram, Finance Director, declared an interest in item 8, Winchester Final Recommendations.

Karen Cleverly, Business Support Officer, declared an interest in item 3, Gloucester Final Recommendations.

## Minutes of LGBCE's meeting on 19 May 2015

The minutes were agreed as a correct record, and were signed by the Chair.

### Matters Arising

There were no matters arising.

The Chair took items 2 and 14 first so that the Independent Member of the Audit Committee could leave after these items.

### 2. Finance Director's Report - LGBCE (15)53 Annual Report & Accounts: Final Authorisation

The Finance Director presented the Annual Report and Accounts which had been discussed by the Audit Committee on 15 June 2015. The Audit Committee had recommended that the Commission approve the report.

The previously reported outturn position had moved from a £10k revenue underspend to a final £8K underspend. The final audit was now complete.

The Audit Committee Chair drew the Commission's attention to the issues raised in the Audit Completion Report. There were only three minor unadjusted misstatements and the National Audit Office (NAO) had confirmed that these were not material to the accounts.

The Independent Member noted that the process had been more proportionate than the previous year and that only one further value for money audit was due to take place and then none for a further five years.

It was noted that Susan Ronaldson, the current NAO partner, had now worked with the Commission for five years and would be rotated before the next audit.

The Chair asked if it was possible to publish the document in advance of the LGA conference in July. The Communications Manager explained that the document in its entirety could not be published prior to its being laid before Parliament. However it would be possible to publish specific elements.

## 14. Audit Committee Report on the Year 2014-15 – LGBCE (15)63

The Chair of the Audit Committee introduced the report. He explained that the Audit Committee had given greater emphasis to a risk-based approach to internal audit over the last year. Risks identified during year included the relocation and back office project and the quorum of the Commission. No red risks had been identified by internal audit meaning that the Commission could take a reasonably high level of assurance that risks were being adequately managed.

The Corporate Governance Framework had been reviewed and a major review of the finance manual was being undertaken by the Finance Director. The Audit Committee had raised awareness of the anti-fraud and whistle-blowing policies and procedures. The NAO were now taking a more proportional approach to audits. Finally, the effectiveness of the Audit Committee had been examined. Commissioners' induction had been identified as area to be revisited in 2015 as well as holding meetings with internal and external auditors without staff being present.

The Independent Member of the Audit Committee felt that the key development had been the greater ownership of risk and its use to drive internal audits. She added that the risk register would only be reliable if staff and Commissioners apply regular updates so that the Audit Committee is informed.

It was agreed that the Chief Executive would bring a report to the next Commission meeting relating to the induction process for Commissioners. He would also present a draft report in July on policies, procedures and practices related to reviews.

### **Agreed**

The Chief Executive would bring a report to the next Commission meeting relating to the induction process for Commissioners. He would also present a draft report in July on policies, procedures and practices related to reviews.

The Independent Member of the Audit Committee left the meeting at this point.

## 1. Operational Report - LGBCE (15)52

The Chief Executive presented the Operational Report for June 2015 and the Commission noted its content.

A number of unallocated reviews were allocated to Commissioners. These were:

- Tony Redmond – Hertsmere
- Alison Lowton – Eastleigh and Redbridge
- Paul Wiles – Newcastle and Harrogate
- Colin Mellors - Huntingdonshire
- Peter Knight – would start the South Cambridgeshire review but it would then be transferred to a new Commissioner.

### 3. Gloucester Final Recommendations – LGBCE (15)54

The review of Gloucester City Council had commenced on 15 July 2014. According to the latest available electoral figures, two wards (Barton & Tredworth and Podsmead) had variances greater than 10 per cent, with one ward (Quedgeley Fieldcourt) being over 30 per cent.

At its meeting on 15 July 2014, the Commission had been minded to agree a council size of 39 and had subsequently, on 16 December 2014, agreed Draft Recommendations.

Following publication, 74 submissions had been received commenting on the Draft Recommendations which had been considered carefully in the context of the statutory criteria.

Taking all of the submissions into account, it was felt that there was sufficient evidence to move away from the Draft Recommendations in some aspects and these changes were reflected in the Final Recommendations put to the Commission for consideration.

The Final Recommendations proposed a pattern of five three, 11 two, and two single-member wards in total.

The Commission considered the Final Recommendations in detail, informed by the statutory criteria and taking into account the submissions received following publication of the Draft Recommendations.

It agreed the Final Recommendations as presented.

#### **Agreed**

Final Recommendations for Gloucester City Council as presented.

### 4. West Sussex Council Size – LGBCE (15)55

It had been agreed to review West Sussex County Council due to electoral imbalance. According to the latest available electoral figures, 32 per cent of divisions had variances greater than 10 per cent.

The current size of the Council is 71 members.

Information had been received relating to future governance and representational arrangements. Informed by all the evidence – including, but not limited by the suggested council size, LGBCE officers judged that the available evidence pointed to a council size of 70 as being the appropriate size.

The Commission considered all the available evidence and, on the basis of this evidence, it was minded to support a council size of 70 members.

**Agreed**

The Commission agreed that a council size of 70 be used as the basis for the preparation of the Draft Recommendations.

**5. East Cambridgeshire Council Size – LGBCE (15)56**

It had been agreed to review East Cambridgeshire District Council at the request of the local authority. According to the latest available electoral figures, 26 per cent of wards had variances greater than 10 per cent, with one ward, Soham North being over 27 per cent.

The current size of the Council is 39 members.

Following receipt of information about future governance and representational arrangements, it was recommended by LGBCE officers that there was sufficient evidence to support that the council size decrease by 12 from 39 to 27 members.

The Commission considered all the available evidence and, on the basis of this evidence, it was minded to support a council size of 27 members.

**Agreed**

The Commission agreed that a council size of 27 be used as the basis for the preparation of the Draft Recommendations.

**6. Lancashire Council Size – LGBCE (15)57**

It had been agreed to review Lancashire County Council due to electoral imbalance. According to the latest available electoral figures, 39 percent of divisions had variances greater than 10 per cent.

The current size of the Council is 84 members.

Following receipt of information about future governance and representational arrangements, it was recommended by LGBCE officers that there was sufficient evidence to support that the council size remain at 84 members.

The Commission considered all the available evidence and, on the basis of this evidence, it was minded to support a council size of 84 members.

**Agreed**

The Commission agreed that a council size of 84 be used as the basis for the preparation of the Draft Recommendations.

## 7. Elmbridge Draft Recommendations – LGBCE (15)58

The review of Elmbridge Borough Council had commenced on 27 January 2015. According to the latest available electoral figures, 14 per cent of wards had variances greater than 10 per cent.

At its meeting on 27 January 2015, the Commission had been minded to agree a council size of 48 and the Draft Recommendations being considered had been prepared on the basis of such a council size.

In preparing the draft scheme, the team had taken into consideration both the submissions it had received and the statutory criteria. The Draft Recommendations proposed a pattern of 16 three member wards in total.

The Commission considered the recommendations in detail informed by the statutory criteria and taking into account the advice of officers and the submissions received.

It agreed the Draft Recommendations as presented.

### **Agreed**

Draft Recommendations for Elmbridge Borough Council as presented.

## 8. Winchester Final Recommendations – LGBCE (15)59

The review of Winchester City Council had commenced on 19 August 2014. According to the latest available electoral figures, 27 per cent of wards had variances greater than 10 per cent with one ward, Boarhunt & Southwick, being over 30 per cent.

At its meeting on 19 August 2014, the Commission had been minded to agree a council size of 45 and had subsequently, on 27 January 2015, agreed Draft Recommendations.

Following publication, 101 submissions had been received commenting on the Draft Recommendations which had been considered carefully in the context of the statutory criteria.

Taking all of the submissions into account, it was felt that there was sufficient evidence to move away from the Draft Recommendations in some aspects and these changes were reflected in the Final Recommendations put to the Commission for consideration.

The Final Recommendations proposed a pattern of 13 three, and three two-member wards in total.

The Commission considered the Final Recommendations in detail, informed by the statutory criteria and taking into account the submissions received following publication of the Draft Recommendations.

It agreed the Final Recommendations as presented.

**Agreed**

Final Recommendations for Winchester City Council as presented.

**9. Knowsley Final Recommendations – LGBCE (15)60**

The review of Knowsley Metropolitan Borough Council had commenced on 19 August 2014. According to the latest available electoral figures, 29 per cent of wards had variances greater than 10 per cent with one ward, Longview, having a variance of 23 per cent. The Council had also requested the Commission undertake an electoral review to consider council size.

At its meeting on 19 August 2014, the Commission had been minded to agree a council size of 45 and had subsequently, on 27 January 2015, agreed Draft Recommendations.

Following publication, 72 submissions had been received commenting on the Draft Recommendations which had been considered carefully in the context of the statutory criteria.

Taking all of the submissions into account, it was felt that there was sufficient evidence to move away from the Draft Recommendations in some aspects and these changes were reflected in the Final Recommendations put to the Commission for consideration.

The Final Recommendations proposed a pattern of 15 three-member wards in total.

The Commission considered the Final Recommendations in detail, informed by the statutory criteria and taking into account the submissions received following publication of the Draft Recommendations.

It agreed the Final Recommendations as presented.

**Agreed**

Final Recommendations for Knowsley Metropolitan Borough Council as presented.

**10. Stroud Final Recommendations – LGBCE (15)61**

The review of Stroud District Council had commenced on 19 August 2014. According to the latest available electoral figures 23 per cent of wards had variances greater than 10 per cent with one ward, Upton St Leonards, being over 30 per cent.

At its meeting on 19 August 2014, the Commission had been minded to agree a council size of 51 and had subsequently, on 27 January 2015, agreed Draft Recommendations.

Following publication, 27 submissions had been received commenting on the Draft Recommendations which had been considered carefully in the context of the statutory criteria.

Taking all of the submissions into account, it was felt that there was sufficient evidence to move away from the Draft Recommendations in some aspects and these changes were reflected in the Final Recommendations put to the Commission for consideration.

The Final Recommendations proposed a pattern of nine three, 6 two, and 12 single-member wards in total.

The Commission considered the Final Recommendations in detail, informed by the statutory criteria and taking into account the submissions received following publication of the Draft Recommendations.

It agreed the Final Recommendations as presented.

#### **Agreed**

Final Recommendations for Stroud District Council as presented.

### **11. Chair's Report**

The Chair reported on discussions with the Clerk to the Speaker's Committee relating to the appointment of the new Chair. It was considered unlikely that the new Speaker's Committee would be formed until October 2015 and any processes before this time would be dealt with by correspondence. Gary Streeter MP would continue to speak on the Commission's behalf in the House of Commons for a further period.

The Chair then reported on arrangements for the Inter-Commission meeting which would be held on 17 November 2015. The agenda would be developed in due course.

It was agreed that it would be helpful for Commission officers to monitor the progress of the Cities and Local Government Devolution Bill as it progressed through Parliament and to highlight any matters that might be relevant to the work of the Commission.

### **12. Chief Executive's Report**

The Chief Executive reported on the procurement exercise being undertaken by the Boundary Commission for England and the timetable for the parliamentary review.

He advised that a new temporary Review Assistant was now in post.



### 13. Commission Report on the Year 2014-15 – LGBCE (15)62

The Research and Policy Officer presented the report which covered a greater period than previous years' reports. The main findings were that the Commission had continued to complete more reviews, but that there were now fewer reviews in the programme than in previous years.

The possibility of giving county reviews a greater 'weighting' was discussed because of the additional resources needed in terms of officers' and Commissioners' time. The number of electors under each review may also be more useful as the current picture was misleading. The Research and Policy Officer agreed to consider these options.

It was noted that reviews currently 'start' at the date of the decision on Council size, despite work in advance of this. This would be considered in more depth at the Commission meeting in July. The Chair felt that it would be useful to examine changes in Council size over time.

The Commission acknowledged the variation in the success of electorate projections. It noted that the guidance on electorate forecasting may need to be revised and that external support may be required to undertake this task. It should include guidance to two tier areas on ensuring the input from district councils to get the most accurate information. The Local Government Association (LGA) was identified as a potential partner in revising the guidance.

The results of stakeholder surveys were considered. There had been a significant increase in respondents over time. Commissioners were most concerned at a perception that decisions were biased. It was noted that performance indicators were included in the work schedule for internal audit and that there would be a report back to the strategic planning event in August on the issue

It was agreed to consider the value of ONS projections alongside local authority forecasts. A report would be brought to the Commission in the autumn 2015.

#### **Agreed**

There would be a report to the Commission in the autumn to consider the use of projections as a key performance indicator.

### 15. Audit Committee Minutes (May Meeting) – LGBCE (15)64

The minutes of the Audit Committee meeting held on 18 May 2015 were formally noted by the Commission.

## **16. Audit Committee Chair's Report – Oral (June Meeting)**

The Chair of the Audit Committee gave an oral update of the meeting of 15 June 2015. The meeting had considered the Terms of Reference which now formalised the position of the Independent Member and clarified that quorum could be achieved by video presence.

As part of the risk update, the Committee had considered the impact of the general election as well as the back office and relocation project. The audit plan had been reviewed. This was now risk based and included measures to ensure a resilient workforce and examine equalities and governance issues.

## **17. Changes to Standing Orders: – LGBCE (15)65**

### **Audit & Risk Committee**

The Audit Committee on 15 June had suggested some further minor amendments to the draft that had been circulated with the Commission papers. The revisions were circulated and the amendments were endorsed by the Commission.

### **Human Resources Committee**

Commissioners felt that the draft needed further work in some areas, including a scheme of delegation and clarity about how responsibilities would fall under the Chief Executive, the Human Resources Committee and the Commission respectively. It was agreed that the Chair and the Chief Executive would draft a proposal including a scheme of delegation for the autumn of 2015.

## **18. Relocation and Back Office Services Project Update (oral)**

The Finance Director gave an update on the last steering group meeting. The steering group would meet again next month in advance of the internal audit of the project.

She explained that there were still some outstanding issues with the new finance and HR systems. Meetings were being held with the IT provider to go through the initial problems that had been experienced.

The results of the staff survey were presented. There had been 18 responses out of 22 staff. Overall satisfaction levels were high with the exception of the IT provider and the new post arrangements.

Commissioners noted the responses to the survey and expressed concern that there should be urgent resolution of the outstanding IT issues.

## 19. Future Business – LGBCE (15)66

The Chief Executive advised that the reports on the following would be on the agenda of the July 2015 Commission meeting:

- The induction process for Commissioners
- The process review
- Birmingham Council size
- GIS demonstration.

Peter Knight advised that he would be unable to attend the July meeting.

### AOB

The Chair suggested that a visit for the Communities and Local Government Select Committee be arranged so that the Commission could explain and, possibly, give formal evidence about its work. There had been a similar visit during the previous Parliament which had been felt to be valuable to both sides.

### Agreed

That an invitation to the Select Committee be made and the possibility of giving evidence be explored.

**Close of Business 13:10**



14/7/15

Chair

