

Council Assembly Ordinary Meeting

Wednesday July 8 2009
7.00 pm
Town Hall, Peckham Road, London SE5 8UB

Councillors are summoned to attend a meeting of the Council to consider the business contained herein

A handwritten signature in blue ink that reads "Annie Sheppard".

Annie Sheppard
Chief Executive

INFORMATION FOR MEMBERS OF THE PUBLIC

Access to information

You have the right to request to inspect copies of minutes and reports on this agenda as well as the background documents used in the preparation of these reports.

Babysitting/Carers allowances

If you are a resident of the borough and have paid someone to look after your children, an elderly dependant or a dependant with disabilities so that you could attend this meeting, you may claim an allowance from the council. Please collect a claim form at the meeting.

Access

The council is committed to making its meetings accessible. Further details on building access, translation, provision of signers etc for this meeting are on the council's web site: www.southwark.gov.uk or please contact the person below.

Contact

Lesley John/Sean Usher on 020 7525 7228 or email: lesley.john@southwark.gov.uk;
sean.usher@southwark.gov.uk
Webpage: <http://www.southwark.gov.uk>

Date: June 26 2009



Council Assembly

Wednesday July 8 2009
7.00 pm
Town Hall, Peckham Road, London SE5 8UB

Order of Business

Item No.	Title	Page No.
	PART A - OPEN BUSINESS	
1.	PRELIMINARY BUSINESS	
	1.1. ANNOUNCEMENTS FROM THE MAYOR, MEMBERS OF THE EXECUTIVE OR CHIEF EXECUTIVE	
	1.2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE MAYOR DEEMS URGENT	
	1.3. DISCLOSURE OF INTERESTS AND DISPENSATIONS	
	1.4. APOLOGIES FOR ABSENCE	
2.	MINUTES	
	To approve as a correct record the open minutes of the council assembly meeting held on May 20 2009 (circulated separately).	
3.	PETITIONS	
	To formally receive any petitions lodged by members of the council.	
4.	PUBLIC QUESTION TIME	1
5.	MEMBERS' QUESTION TIME	2 - 8
6.	OTHER REPORTS	
	6.1. SUSTAINABLE COMMUNITIES ACT PROPOSALS	9 - 21

Item No.	Title	Page No.
	6.2. MEMBER AND OFFICER PROTOCOL	22 - 37
	6.3. REVIEW OF THE COMMUNICATION PROTOCOL	38 - 47
	6.4. TREASURY MANAGEMENT PERFORMANCE - 2008-09 ANNUAL REPORT AND PRUDENTIAL INDICATORS FOR CAPITAL FINANCE AND TREASURY MANAGEMENT	48 - 57
	6.5. ANNUAL REPORT ON WORK AND PERFORMANCE OF THE AUDIT & GOVERNANCE COMMITTEE IN 2008-09	58 - 67
7.	MOTIONS	68 - 71

ANY OPEN ITEMS IDENTIFIED AS URGENT AT THE START OF THE MEETING

EXCLUSION MOTION (IF NECESSARY)

The following motion should be moved, seconded and approved if the council wishes to exclude the press and public to deal with reports revealing exempt information:

“That under the access to information procedure rules of the Southwark constitution, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in section(s) 1 – 7 of paragraph 10.4 of the procedure rules.”

PART B - CLOSED BUSINESS

8. MINUTES

To approve as a correct record the minutes of the closed section of the meeting held on May 20 2009 (circulated separately).

9. EXEMPTION FROM THE RULES GOVERNING FAILURE OF A MEMBER TO ATTEND MEETINGS

ANY CLOSED ITEMS IDENTIFIED AS URGENT AT THE START OF THE MEETING

Date: June 26 2009

Item No. 4.	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Public Question Time	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

1. QUESTION TO THE LEADER OF THE COUNCIL FROM MICK BARNARD

Is the leader aware that despite four requests between November 20 2008 and February 18 2009 to provide documentary evidence to support an officer's ruling on Mayor's gifts, it was not until March 2 2009 that information of a written protocol dated May 2008 was received? Can you provide the background to this protocol?

2. QUESTION TO THE LEADER OF THE COUNCIL FROM LINDA DICKSON

Should it come to light that an individual has failed to adhere to Southwark Council's constitution/protocol, what is the process for reporting and investigating such matters in the case of (1) a councillor (2) an officer?

Agenda Item 5.

Item No. 5.	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Members' Question Time	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

BACKGROUND INFORMATION

In accordance with council assembly procedure rule 2.8 member's question time shall not exceed 30 minutes. During this time, members may not question any one executive member or committee chair for longer than fifteen minutes.

Members are limited to one question at each meeting.

Questions to the leader will be taken first, followed by questions to other executive members and on the portfolio for education and school attainment. The order in which the different political groups ask questions of the leader will be rotated. Questions to executive members will be taken in the order of receipt and portfolio. The order of portfolios will be rotated at each meeting such that the executive member answering questions immediately after the leader will be the last executive member to answer any questions at the next meeting of council assembly.

Executive members and committee chairs have discretion to refer a question to another executive member if this is appropriate.

Responses to member's questions will be circulated on yellow paper around the council chamber on the evening of the meeting.

The Mayor will ask the member asking the question if they wish to ask one supplemental question to the member to whom the question was asked. The supplemental question must arise directly out of the original question or the reply. Therefore, supplemental questions to the leader or other executive members are not free ranging.

No question shall be asked on a matter concerning a planning or licensing application.

Note: In accordance with council assembly procedure rule 2.8 (12) & (13) (prioritisation and rotation by the political groups) the order in which questions to the leader appear in this report may not necessarily be the order in which they are considered at the meeting.

1. QUESTION TO THE LEADER FROM COUNCILLOR PETER JOHN

What guarantees has the leader sought from the preferred bidder regarding its ability to complete the Elephant & Castle scheme in the current economic climate?

2. QUESTION TO THE LEADER FROM COUNCILLOR JENNY JONES

On Wednesday November 5 2008, council agreed to support the London living wage by paying all staff, including staff employed by contractors providing a service on behalf of council, the London living wage. Council further agreed to promote the living wage more widely across the borough, including to the private sector. What steps has the council taken since that date to implement these commitments?

3. QUESTION TO THE LEADER FROM COUNCILLOR CAROLINE PIDGEON

Would the leader of the council tell us what discussions he has had with the Mayor of London about securing funding for the cross river tram?

4. QUESTION TO THE LEADER FROM COUNCILLOR RICHARD LIVINGSTONE

Can the leader provide the date by which he expects the agreement with the preferred bidder for the Elephant & Castle regeneration will be signed?

5. QUESTION TO THE LEADER FROM COUNCILLOR DAVID HUBBER

Would the leader of the council care to reflect on the likely impact on the lives of people living in Southwark of the Labour government's mishandling of the economy, in particular the need for a £100 billion banking bail-out. In the light of this can he remind members of the steps that the council is taking to ensure that local businesses continue to thrive and bring new jobs and opportunities to our area?

6. QUESTION TO THE LEADER FROM COUNCILLOR ALISON MCGOVERN

What alternative development proposals is the leader considering to improve the Elephant & Castle area, in case the current proposals cannot be progressed?

7. QUESTION TO THE LEADER FROM COUNCILLOR DENISE CAPSTICK

What are the treasury's published projections about public spending and what are the implications for Southwark council's finances and services in the future?

8. QUESTION TO THE LEADER FROM COUNCILLOR JONATHAN MITCHELL

In the light of several unfair and undemocratic decisions taken by the tenants council, or the tenant fund management committee acting on the tenants council's behalf, will the leader of the council now take immediate steps to remedy the unintended consequences flowing from these decisions, to ensure that organisations like the Barry Road residents association who represent Southwark Council tenants and leaseholders including those in "street properties" [as distinct from those on estates] are able to:

- (i) obtain for their tenant members the share of the tenant fund (into which they have an obligation to pay) to which they are entitled and which they have a legitimate expectation of receiving, but of which at present they are being unreasonably deprived;

- (ii) fairly challenge the arbitrary and self-interested decisions taken at present by the tenants council, which are taken in the interests of a part only and not the whole population of tenants in Southwark;
- (iii) freely “operate under the terms of the constitution” which was given to them by Southwark Council, and not under the dictation of a tenants council whose aims and objectives are in conflict with that constitution.

9. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR CHRIS PAGE

Does the executive member believe that any deal reached with Lend Lease for the Elephant & Castle regeneration will be as satisfactory for Southwark and Southwark residents as it would have been had it been concluded within the original timetable?

10. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR IAN WINGFIELD

Does the executive member believe that the final agreement with the preferred bidder for the Elephant & Castle regeneration will meet the council’s aspirations for the number of socially affordable homes in the scheme?

11. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR KIRSTY MCNEILL

Is the executive member for housing able to re-iterate assurances that all residents required to move as a result of the Elephant & Castle regeneration schemes will be able to return to the area following the completion of the scheme?

12. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR JOHN FRIARY

Despite his various assurances to tenants that he wouldn’t scrap the tenant’s arbitration process since he’s been responsible for housing, can the executive member now confirm that he intends to scrap it?

13. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR TOBY ECKERSLEY

Does the executive member consider it feasible to structure major works contracts for low rise housing estates with a substantial number of leaseholders/freeholders so as to provide those owners with the opportunity, at their expense, to opt in to the contract, with the advantage that economies of scale and less disruption might be achieved in the interests of all concerned?

14. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR COLUMBA BLANGO

Would the executive member for housing tell us what steps he has taken to ensure that new social housing is being developed in Southwark?

15. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR ANOOD AL-SAMERAI

What progress is being made with demolition of Giles, Carton and Darnay House?

16. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR JAMES BARBER

What is the schedule for Southwark's acquired street properties to be brought up to Southwark decent homes standards?

17. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR MACKIE SHEIK

Would the executive member for housing tell us what steps he has taken to update and improve the council's tenancy agreement?

18. QUESTION TO THE DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING FROM COUNCILLOR JANE SALMON

Would the executive member for housing update us on the progress towards the digital switchover for tenants using communal antennae on council blocks?

19. QUESTION TO THE EXECUTIVE MEMBER FOR CITIZENSHIP, EQUALITIES AND COMMUNITIES FROM COUNCILLOR MARY FOULKES

What is the demographic profile of the staff who have left Southwark council from January 2008 to June 2009? Can these figures be broken down by age, gender, ethnicity and reason for leaving?

20. QUESTION TO THE EXECUTIVE MEMBER FOR CITIZENSHIP, EQUALITIES AND COMMUNITIES FROM COUNCILLOR TAYO SITU

At the last council assembly when we had the opportunity to ask questions, the executive member said that the council's policy is that frontline staff and managerial staff, approximately 3,000 members of staff, complete equalities and diversity training, but did not say how many of those members of staff have actually completed the training. How many members of staff have completed equalities and diversity training?

21. QUESTION TO THE EXECUTIVE MEMBER FOR CITIZENSHIP, EQUALITIES AND COMMUNITIES FROM COUNCILLOR JAMES GURLING

Following the resignation of Hazel Blears, the secretary of state for communities, and the shelving of the government's community empowerment bill, what affect will this have on our efforts to strengthen community empowerment in Southwark?

22. QUESTION TO THE EXECUTIVE MEMBER FOR CITIZENSHIP, EQUALITIES AND COMMUNITIES FROM COUNCILLOR ADE LASAKI

Can the executive member for citizenship, equalities and communities tell us what progress is being made in strengthening the powers of community councils?

23. QUESTION TO THE EXECUTIVE MEMBER FOR COMMUNITY SAFETY FROM COUNCILLOR SUSAN ELAN JONES

In the light of the astonishing fiasco of 'talking' CCTV which was installed, never worked, and is now going to be ripped out again, all at a cost of £85,000, what measures is the executive member putting in place to ensure that the council properly considers the viability and value of similar initiatives before significant amounts of resources are expended upon them?

24. QUESTION TO THE EXECUTIVE MEMBER FOR COMMUNITY SAFETY FROM COUNCILLOR LORRAINE ZULETA

Will the executive member for community safety tell us what steps are being taken to reduce the threat from aggressive and dangerous dogs in the borough?

25. QUESTION TO THE EXECUTIVE MEMBER FOR CULTURE, LEISURE AND SPORT FROM COUNCILLOR ROBIN CROOKSHANK HILTON

Given the success of the recent Lost Southwark exhibition at the Cuming Museum, does the executive member have any further plans to exhibit the council's art collection?

26. QUESTION TO THE EXECUTIVE MEMBER FOR CULTURE, LEISURE AND SPORT FROM COUNCILLOR JELIL LADIPO

Can the executive member please tell me how Southwark will help celebrate the 175th anniversary of Surrey Gardens?

27. QUESTION TO THE EXECUTIVE MEMBER FOR RESOURCES FROM COUNCILLOR FIONA COLLEY

Will Nunhead and Peckham Rye residents be consulted on options for the future use of the Nunhead Green Early Years Centre site before the council decides whether or not to dispose of it?

28. QUESTION TO THE EXECUTIVE MEMBER FOR HEALTH AND ADULT CARE FROM COUNCILLOR AUBYN GRAHAM

Does the executive member for health and adult care agree with me that day centres for older people in Southwark provide vital services and activities for the most vulnerable residents, including the BME communities, and that the present working partnership service level agreements between the voluntary sector and the council has proven to be an effective way of maintaining such services in Southwark?

29. QUESTION TO THE EXECUTIVE MEMBER FOR HEALTH AND ADULT CARE FROM COUNCILLOR PAUL BATES

Can the executive member please give me a comprehensive update on the discussions between the council and the primary care trust with regard to the Aylesbury health centre? When will services begin to run from the centre again?

30. QUESTION TO THE EXECUTIVE MEMBER FOR REGENERATION FROM COUNCILLOR NICK VINEALL

Having regard to the core strategy draft preferred options paper dated April 2009 which at page 14 states that "We will support development of the railway arches [in Herne Hill] into niche businesses or other activities that provide vibrancy to the town centre", what steps does he anticipate being taken in the next 6 months in order to achieve this expressed aim?

31. QUESTION TO THE EXECUTIVE MEMBER FOR REGENERATION FROM COUNCILLOR WILMA NELSON

Is the executive member for regeneration planning to attend the Royal Academy Summer Exhibition this year which runs until the August 16 and is he aware of any interesting regeneration projects that are being highlighted there?

32. QUESTION TO THE EXECUTIVE MEMBER FOR CHILDREN'S SERVICES FROM COUNCILLOR HELEN JARDINE-BROWN

Will the executive member update members on progress in developing the strategy to reduce the number of teenage pregnancies in Southwark and let us know what actions are being prioritised?

33. QUESTION ON EDUCATION AND SCHOOL ATTAINMENT TO THE LEADER FROM COUNCILLOR VERONICA WARD

What steps are being taken to ensure that parents in East Dulwich who have so far not been offered a primary school place for September within a reasonably accessible distance from their homes will be found places in East Dulwich primary schools so that they do not have to take complex journeys, often with smaller children in tow? Given the baby boom in East Dulwich what plans are in place to ensure that there are sufficient primary and nursery places in East Dulwich in future years to meet the needs of these families?

34. QUESTION ON EDUCATION AND SCHOOL ATTAINMENT TO THE LEADER FROM COUNCILLOR ROBERT SMEATH

Please detail the percentage of new applicants for primary school places that did not receive a) their first choice of school b) any of their top five choices of school, in the borough by ward.

35. QUESTION ON EDUCATION AND SCHOOL ATTAINMENT TO THE LEADER FROM COUNCILLOR BOB SKELLY

Would the leader of the council like to join me in congratulating Councillor Lisa Rajan and her team for the successful conclusion of the negotiations of Southwark's £200 million local education partnership agreement and can he give us an update as to when work will be starting to deliver the improvements to the borough's schools?

36. QUESTION ON EDUCATION AND SCHOOL ATTAINMENT TO THE LEADER FROM COUNCILLOR ELIZA MANN

Would the leader of the council please update members on the re-location of Southwark Park Road special school?

37. QUESTION TO THE EXECUTIVE MEMBER FOR ENVIRONMENT FROM COUNCILLOR BARRIE HARGROVE

Could the executive member for environment provide a status update on cleaner, greener, safer projects broken down by community council area showing year by year from 2004-2009: total number of projects; total projects uncompleted; under-spend?

38. QUESTION TO THE EXECUTIVE MEMBER FOR ENVIRONMENT FROM COUNCILLOR GORDON NARDELL

Is the executive member aware of any instances where the council's waste and recycling contractor, Veolia, has taken waste collected in Southwark as household recycling to landfill or for incineration instead of recycling it? How many tonnes of waste that residents had left for collection as recycling have been sent to landfill or for incineration in the last year?

39. QUESTION TO THE EXECUTIVE MEMBER FOR ENVIRONMENT FROM COUNCILLOR ABDUL MOHAMED

Can the executive member tell us why nearly all public toilets have been shut in Southwark? Does the member agree that this can be a severe inconvenience for residents (particularly the vulnerable)?

40. QUESTION TO THE EXECUTIVE MEMBER FOR ENVIRONMENT FROM COUNCILLOR LORRAINE LAUDER

Can the executive member please provide an update on any plans to make long overdue improvements to East Street market, or to the road surface on East Street?

41. QUESTION TO THE EXECUTIVE MEMBER FOR ENVIRONMENT FROM COUNCILLOR RICHARD THOMAS

Can the executive member for environment confirm that Southwark will stick to the UK's national cycling infrastructure guidelines and not implement Boris's recent whizzy idea of blue cycle lanes?

Item No. 6.1	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Sustainable Communities Act proposals	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

RECOMMENDATION

1. That council assembly agrees that the proposals recommended by the panel (as set out in paragraph 12) be submitted to Government under the Sustainable Communities Act 2007.

BACKGROUND INFORMATION

2. The Sustainable Communities Act 2007 ("the Act") introduces a new procedure for councils to make proposals to Government, via the Local Government Association (LGA), to promote the sustainability of local communities (economic, social or environmental well-being). Councils need to work with local people to identify and agree proposals.
3. Sustainability in the Act is defined as encouraging the improvement of the economic, social or environmental wellbeing of an area. Social well being includes participation in civic and political activity.
4. The process for Southwark's response to the Act (and how we developed proposals) was agreed via Executive Member Decision 10 February 2009 by the Leader. The outline process is:

Jan/May	Develop proposals. The community and partners were invited to submitted proposals
18 June	Consult and try to reach agreement with a local 'panel'. This is required under the Act. The proposals that met the basic requirement of the Act (i.e. that it relates to something which councils are not already able to do) were shortlisted for consideration by the panel. The panel's recommendations are set out in this report.
8 July	Council Assembly agree which proposals will go forward
31 July	Deadline for submitting proposals to the Local Government Association (LGA), nominated by Government as the 'selector body' which will shortlist proposals nationally
Unknown	The LGA shortlists proposals and then negotiates with Secretary of State to seek agreement on proposals to implement
Unknown	Action by Government

KEY ISSUES FOR CONSIDERATION

Information to consider in making a decision

5. All proposals must be submitted by a local authority (or group of authorities) i.e. an group/individual may originate or develop a proposal, but all proposals require local authority endorsement. When deciding which proposals to submit, Council Assembly should consider the following:
6. The purpose of the Act:
 - a) It aims to promote the sustainability of local communities
 - b) It begins from the principle that local people know best what needs to be done, but that sometimes they need central government to act
 - c) It is also a new way for local authorities to ask central government to take action which they believe would better enable them to improve the economic, social or environmental well-being of their area
 - d) Government has stated that the Act is not a route for agreeing additional resources
7. The requirements of the Act:
 - a) To submit proposals a council must:
 - establish or recognise a panel of representatives of local persons
 - consult the panel about any proposal, and
 - try to reach agreement with the panel about proposals
 - b) If a proposal relates to a transfer of functions, the Council must consult that body
 - c) Authorities are able to make multiple proposals

The Constitution of the Panel

8. In accordance with Regulation 4(3)(a) of the Sustainable Communities Regulations 2008 ('the Regulations'), it is a requirement that sufficient representatives must be involved in that, in the opinion of the Council, local persons are adequately represented. This specifically means that the Council must have made an effort to include under-represented groups i.e. groups of local persons who in the opinion of the Council are under-represented in civic and political activity in the Council's area.
9. In order to meet the obligations under the Act and Regulations, the Council invited local residents and groups, and representatives from Southwark's Equality & Diversity Panel.
10. Each individual on the Panel had one vote/equal say. The Panel was constituted of:-
 - a) Individuals and groups that put shortlisted proposals forward i.e. 5 residents (including 3 councillors); and 4 local groups: Better Bankside; SNUB; Friends of Nursery Park Row and the Victory Community Park Committee; and the Creation Trust;

- b) Representatives from the Equality and Diversity Panel;
- c) The Chair of Overview and Scrutiny Committee; and
- d) The Leader (chair of the panel)

The panel's recommendations

11. Southwark's panel met on the 18th June to agree which proposals it wanted to recommend to Council Assembly. The panel was asked to reach a consensus on what proposals to recommend. Where it could not reach a consensus it was asked to vote, in this case a proposal required a two thirds majority to be recommended. Panel members were able to register their disagreement, but in the event no disagreements were registered.
12. The panel recommended that the following proposals be submitted to government under the Act:

A.	A legal duty to be imposed on Network Rail and any other rail operators to work in partnership with local authorities and local communities to safeguard and improve the environment directly relating to railway land and infrastructure
B.	To relax the requirement for 20mph zones, that every street must have "self-enforcing" calming measures. Remove the unconditional requirement i.e. it should be at the discretion of the council whether there are self enforcing calming measures and what form they take
C.	To create a clearer and more consistent tax regime to incentivise sustainable commuting and work related travel for businesses and their employees: 1) a comprehensive review of the current system, looking at all relevant tax legislation and guidance 2) exploring the scope for greater incentives
D.	To create a national no plastic bag day for the UK - No exchange of plastic bags between retailer and customer. Not stating the date but give example of 12 September
E.	Southwark Camera Partnership - Transfer of funding to a Southwark camera partnership (which will need to be established). Allow the Southwark camera partnership to keep revenue from existing cameras and, for example, used for road calming measures, and to move existing cameras
F.	Permaculture design principles - A permissive regime that enables Council to prioritise permaculture ¹ design principle in local planning policy

¹ The meaning of 'permaculture': promoting design that increases sustainability and self sufficiency of food supply and production within a wider context – recognising the overriding importance of food

I.	Unlawful use of properties - Penalties for unlawful use of a property , with the council having the ability to impose civil penalties on the freeholder to cover the costs of planning enforcement
J.	A change in the rules to allow councils to help smooth leaseholder repair bills - Change in the rules to allow councils to take deposits and prudently invest leaseholder funds, on a voluntary basis, to help smooth leaseholder repairs bills

13. The following proposals were withdrawn by the proposers:

G. Statutory requirements on parks.

- The specific aims around Burgess Park are to be taken forward through existing mechanisms.
- Proposer to work up a proposal to release funding to improve use of parks to promote the objectives of the Sustainable Communities Act, to submit in the next round

H. The government should support and set standards for the development of public libraries

- Proposer to develop further, moving to more local solutions rather than national standards, to submit in the next round

14. The table at appendix 1 below provides more information on each proposal, including the main policy/community/resource impacts.

Consultation

15. It is a requirement under the Act to consult and try to reach agreement with a panel. The arrangements for Southwark's panel are set out in paragraphs 8 to 10 above.
16. It is a requirement under the Act that where requesting a "transfer of function" the Council must first consult both the body which currently performs the function and the body which the local authority proposes to transfer the function to. This must be done before submitting a proposal to the LGA/Government.
17. Proposal E/Southwark Camera Partnership would involve a transfer of functions (i.e. the transfer of decisions that are currently made with funding from the London Safety Camera Partnership to a newly formed Southwark Partnership). The Council will therefore need to consult with the London Safety Camera Partnership (LSCP), Metropolitan Police, the Treasury and the Department for Transport (DfT) – officers formally wrote to the aforementioned bodies giving details of the draft proposal on 1/07/09 and inviting them to put forward their views by 27/07/09.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance

18. The Sustainable Communities Act 2007 ('the Act') aims to promote the

sustainability of local communities. The basic principle is that local people know best what needs to be done to promote the sustainability of their area, but that sometimes they need central government to act to enable them to do so. It provides a channel for local people to ask central government to take such action. It is also a new way for local authorities to ask central government to take action which they believe would better enable them to improve the economic, social or environmental well-being of their area.

19. The Act is written to reflect the well-being powers that local authorities were granted by the Local Government Act 2000. The reason for making this link is to ensure that the Act supports the role of local authorities as community leaders and contributes to the broader agenda for partnership working at local level, including the development of Sustainable Community Strategies and the negotiation of Local Area Agreements.
20. The well-being power enables local authorities to do anything they consider likely to promote or improve the economic, social or environmental well-being of their area. The breadth of the power is such that councils can regard it as a 'power of first resort'. Further in section 1 "social well-being" includes participation in civic and political activity.
21. The 2007 Act requires the Secretary of State to invite local authorities to make proposals which they consider would contribute to promoting the sustainability of local communities, which may include a request for a transfer of functions from one person to another. The Secretary of State issued such an invitation in October 2008. The deadline for submitting proposals is 31 July 2009.
22. If a local authority makes such a proposal it must first consult both the body which currently performs the function and the body which the local authority proposes to transfer the function to. The functions that could be in scope are limited only by the principal aim of the Act, which is to promote the sustainability of local communities. All the relevant bodies have been consulted as is set out above at paragraph 17.
23. Before it makes a proposal a local authority must have regard to the matters specified in the Schedule to the Act. "Having regard to" means that the local authority needs to consider or take into account these matters. The list is intended to help councils decide whether proposals will contribute to the sustainability and wellbeing of the area. The list illustrates the type of issues with which proposals might be concerned, but the Schedule does not dictate or constrain the scope of proposals, if local people and the councils have other ideas which will contribute to a more sustainable community.
24. The 2007 Act is supported by regulations which require certain steps to be taken by a local authority before it makes proposals under section 2 of the 2007 Act. Before making any proposals: —
 - (a) a local authority must also have regard to the guidance issued by the Secretary of State under section 5(5) of the Act; and
 - (b) a local authority must establish a panel to consult the panel about any proposal and to try to reach agreement with the panel about proposals.
25. Under section 2 of the Act local proposals from councils can be put forward to the Secretary of State, aimed at improving the economic, social and environmental well-being of the area including participation in civic and political activity; this can include proposals to transfer functions from one organisation to another. The

Southwark Camera Partnership is a proposal of this type.

26. Generally councils are required to develop proposals through wider community consultation, using a panel or panels of local people, as required by the Sustainable Communities Regulations 2008 ('the Regulations'). Paragraphs 8 to 10 above set out how the panel was constituted.
27. Once members have decided to put forward the proposals, these will be sent to the Local Government Association (LGA). Under the Act proposals are short-listed by a Selector body. The LGA has taken on the role of the Selector.
28. The LGA acting as Selector will prepare a written report on the proposals, which will include, a list of any proposals that it has rejected and a statement of its reasons for selecting the proposals on the short-list and for rejecting any other proposals made by local authorities (Regulation 8).
29. The final decision about which proposals are put into effect lies with the Secretary of State, but in doing so the Act requires cooperation with the Selector (section 3(4) of the Act). The Secretary of State is also required to publish reasons for decisions, to publish an action plan and how proposals will be implemented (section 4 of the Act).

Finance Director

30. This report seeks approval to submit proposals to the Government via the LGA for changes at a national level that would help deliver projects and local work to support sustainability. At this initial proposal stage, there are no resource implications arising purely from recommending the submission of these proposals.
31. However, a number of the proposals would have resource implications were they to be implemented, as detailed in the table following paragraph 14. The full impact of these is not certain at this stage, nor is the potential funding arrangements from central government clear. However, the guidance from Communities and Local Government includes the following statement:

"There are established processes for settling the levels and distribution of public sector resources. The Government does not regard the Act as a route for agreeing additional public expenditure, either at national or local level, and so a particularly strong case will need to be made in support of any proposals that require this."
32. An estimate of the costs involved and benefits accrued from these measures will be included with any proposals agreed for submission to Government this July. Following this there will then be due process before any of these would result in national changes, and the implications to Southwark including resource implications will be reported to members during this process in line with standard governance arrangements."

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Executive member decision by the leader 10/02/09: Responding to the Sustainable Communities Act	http://moderngov.southwarksites.com/ieDecisionDetails.aspx?ID=469	
Minuets of the panel meeting	Town Hall, Peckham Road (until available on the Council website)	Claire Webb 020 7525 7136

APPENDICES

No.	Item
1.	Information on each proposal, including the main policy/community/resource impacts.

AUDIT TRAIL

Lead Officer	Deborah Collins, Strategic Director of Communities, Law & Governance	
Report Author	Claire Webb, Corporate Policy	
Version	Final	
Dated	June 25 2009	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Executive Member	No	No
Date final report sent to Constitutional Team	June 25 2009	

Information on each proposal, including the main policy/community/resource impacts

Proposal	Panel recommendation	Officer comments			
		Policy implications	Community impact	Resource implications	
A	A legal duty to be imposed on Network Rail and any other rail operators to work in partnership with local authorities and local communities to safeguard and improve the environment directly relating to railway land and infrastructure.	Recommended for submission	<p>The Safer Southwark Partnership (SSP) Rolling Plan emphasises the importance of safety around the transport infrastructure.</p> <p>A significant proportion of crimes take place around transport hubs. The SSP is committed to working more closely with transport providers and Transport for London (TfL) to improve safety and just as importantly the perception of safety. Likewise the environment in and around stations is variable and can be of poor quality. The state of stations can have a negative impact across the Corporate Plan and Southwark 2016 objectives and priorities.</p> <p>At present there is no legal duty to work in partnership to safe guard and improve the environment directly relating to railway land and infrastructure.</p>	<p>The SSP Plan identifies that safety in and around the transport infrastructure is a top concern of residents. Likewise the environment in and around rail stations impacts on people's perceptions and experience of the broader environment and streetscene within Southwark.</p> <p>Addressing this issue would have a beneficial community impact.</p>	A duty to work in partnership could lead to more effective use and targeting of existing resources.
B	To relax the requirement for 20mph zones, that every street must have "self-enforcing" calming measures	Recommended for submission	Currently all Local Authorities are required by law to make all 20mph Zones self enforcing by implementing traffic calming	This would not have a detrimental impact on casualty reduction.	To remove the legal requirement for 20mph Zones to be self enforcing would place the

Proposal		Panel recommendation	Officer comments		
			Policy implications	Community impact	Resource implications
	Remove the unconditional requirement i.e. it should be at the discretion of the council whether there are self enforcing calming measures and what form they take		<p>measures. In some instances this would require minor roads that are little longer than 50 meters that don't have a road casualty or speed problem having to have traffic calming measures to meet the legal requirement.</p> <p>This is often viewed by residents as unnecessary, disproportionate and a waste of money.</p>		responsibility of enforcement on the Police
C	To create a clearer and more consistent tax regime to incentivise sustainable commuting and work related travel for businesses and their employees: 1) a comprehensive review of the current system, looking at all relevant tax legislation and guidance 2) exploring the scope for greater incentives	Recommended for submission	<p>This will support Corporate Plan priorities on healthy & independent living, and valuing the environment.</p> <p>Action by Government is required to review the tax system</p>	This will have a positive impact on Southwark's community with more people encouraged to use sustainable forms of transport such as walking, cycling and public transport, thereby reducing carbon emissions and increasing health and fitness	There are no direct resource implications for the Council
D	<p>To create a national no plastic bag day for the UK</p> <p>No exchange of plastic bags between retailer and customer</p> <p>Not stating the date but give example of 12 September</p>	Recommended for submission	<p>This proposal supports the Council's existing Waste Minimization Strategy which aims to reduce waste growth in the borough.</p> <p>National legislation would be required to establish a national no plastic bag day for the UK</p>	In the first few years of the campaign, it is envisaged that the community impact would be fairly limited to the sections of the community that are already receptive to environmental campaigns. However, this will depend on the scale of the awareness raising campaign and	In line with the proposal although the scheme would be mandatory from the start, during the initial years of the campaign, enforcement would be low and resources would be focused on education and awareness raising. There

Proposal		Panel recommendation	Officer comments		
			Policy implications	Community impact	Resource implications
	Mandatory but in the first few years enforcement is low key, backed up by education and awareness campaigns			where it's targeted. E.g. if targeted through the schools it could have a high impact	will therefore need to be additional provision made within the communications budget. Enforcement could be restricted to targeting the supermarkets and other high profile retail centres. After the campaign has been embedded, enforcement will play a greater role in the campaign. This could be through the council's existing enforcement officers and community wardens and could involve officers making spot checks at retailers throughout the borough. This could not be provided through existing resources therefore would require additional resources from central government.
E	Southwark Camera Partnership Transfer of funding to a Southwark camera partnership (which will need to be established). Allow the Southwark camera partnership to keep revenue from existing cameras and, for example,	Recommended for submission	Although Southwark is able to establish a local partnership, it would not be able to access the funding or meet the other aims of the proposal. The implications will be dependant on the outcome of the consultation with the relevant bodies (see paragraph 17) The resource implications are not clear at this stage (including how the funding who be apportioned to the new Southwark partnership, the cost of the partnership and the revenue retained).		

Proposal		Panel recommendation	Officer comments		
			Policy implications	Community impact	Resource implications
	used for road calming measures, and to move existing cameras				
F	Permaculture design principles A permissive regime that enables Council to prioritise permaculture design principle in local planning policy	Recommended for submission - but not by a consensus, no one registered disagreement, and subject to getting views from officers on how to make workable	Officer advice to follow		
G	Parks: statutory requirements on parks, targets for investment, strategic integrated approach and capacity building	Withdrawn by the proposer <ul style="list-style-type: none"> ▪ The specific aims around Burgess Park are to be taken forward through existing mechanisms. ▪ Proposer to work up a proposal to release funding to improve use of parks to promote the objectives of the Sustainable Communities Act, to submit in the next round 			
H	The government should support and set standards for the development of public libraries as an integral part of a broader local, national and regional network	Withdrawn by the proposer <ul style="list-style-type: none"> ▪ Proposer to develop further, moving to more local solutions rather than national standards, to submit in the next round 			
I	Unlawful use of properties Penalties for unlawful use of a property, with the council having the ability to impose	Recommended for submission	Increased compliance with planning regulations, which results in a better quality environment for people live, work and visit .	The community will benefit from a more effective enforcement of planning regulations. In the long-term a reduction of impacts of unlawful use of a property will	Additional officer time to serve fixed penalty notices will be required and to follow up any failure to comply.

Proposal		Panel recommendation	Policy implications	Officer comments	
				Community impact	Resource implications
	civil penalties on the freeholder to cover the costs of planning enforcement			have a positive impact on communities. This proposal will also promote sustainable communities within the Borough.	
J	<p>A change in the rules to allow councils to help smooth leaseholder repair bills</p> <p>Change in the rules to allow councils to take deposits and prudently invest leaseholder funds, on a voluntary basis, to help smooth leaseholder repairs bills</p>	Recommended for submission	This initiative meets the council's policy around 'making Southwark's homes and neighbourhoods great places to live where good quality services are provided right first time'.	<p>Large major works service charges impact all leaseholders but have a disproportionate effect on: the elderly (often original RTB leaseholders); more recent RTB leaseholders with large mortgages (statistics show over 50% of these come from BMI groups); and more recent open market assignees (with up to or over 100% mortgages).</p> <p>The drop in property values in the past 18 months means many have slipped into negative equity. Only in a very few cases where the (usually elderly) leaseholder is in receipt of income support is there partial benefit cover.</p> <p>This scheme will incentivize the council's leaseholders on lower fixed incomes to budget to meet their service charge obligations.</p>	<p>This scheme must be on a voluntary basis because we have no right to demand payment into a scheme. Consequently implications for resources are dependent on take up numbers.</p> <p>Staffing resources will include financial staff needed to set up and monitor the new accounts, constructing and issuing statements. Also the staff resources involved in investing receipts and applying the interest.</p> <p>Consideration needs to be given as to whether to charge a management fee for this function.</p> <p>Homeownership staff can debit the savings account on completion of major works final accounts. The use of IT resources will be</p>

Proposal		Panel recommendation	Policy implications	Officer comments	
				Community impact	Resource implications
					<p>needed to establish these new accounts.</p> <p>Detailed resource implications are not known at this stage. They should be ascertained and taken into consideration in deciding the appropriate body to run the scheme.</p>

Item No. 6.2	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Member and Officer Protocol	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

RECOMMENDATION

1. That Council Assembly agree the Member and Officer Protocol attached as Appendix A.

BACKGROUND INFORMATION

2. The Member and Officer Protocol was introduced in May 2004. As part of the constitutional review the protocol has been revised.
3. After consideration by Chief Officers, the Standards Committee and Constitutional Steering Panel the Protocol was presented to Council Assembly (annual meeting) on May 20 2009. Council Assembly referred the protocol to the Constitutional Steering Panel for further consideration.

KEY ISSUES FOR CONSIDERATION

4. The Constitutional Steering Panel met on June 17, 2009. It agreed that paragraphs 45 and 46 of the protocol relating to home use of computers provided by the council should be simplified.
5. The revised Member and Officer Protocol is now recommended by the Constitutional Steering Panel.
6. A marked up version of the new protocol is attached as Appendix A

Resource implications

7. The proposed changes in members support do have resource implications however it is expected that these will be contained within existing budgets.

Legal implications

- 8.. There are no specific legal implications relating to this report. Any issues relating to constitutional changes will be addressed as part of the constitutional review process.

Community Impact Statement

9. This report has no immediate impact on the community. The proposed protocol should enhance community engagement through clarity of roles.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Previous report to Council Assembly entitled "Member and Officer Protocol" dated May 20 2009.	Southwark Town Hall Peckham Road London SE5 8UB	Lesley John 020 7525 7228

APPENDICES

No.	Item
A.	Member and Officer protocol

AUDIT TRAIL

Lead Officer	Deborah Collins, Strategic Director of Communities, Law & Governance	
Report Authors	Norman Coombe, Principal Lawyer, Governance Team	
Version	Final	
Dated	June 24 2009	
Key Decision?	No	
Consultation with other officers / directorates / executive member		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Incorporated
Finance Director	No	No
Executive Member	No	No
Date final report sent to Constitutional Support Services		June 24 2009

MEMBER AND OFFICER PROTOCOL

Role and purpose

1. The purpose of this protocol is to set down principles and procedures, which have been jointly agreed by officers and members to guide their joint working in the public interest. The protocol supplements and interprets, but does not supplant:
 - statutory provisions, the member code of conduct and other codes and guidance;
 - the other provisions of the council's own adopted constitution and especially the rules of procedure;
 - the disciplinary codes which regulate the conduct of officers, details of which can be found on the source at: <http://thesource/SectionLandingPage.asp?id=2089>.
2. It contains interpretation and guidance on some of the issues which commonly arise. It cannot cover every matter which will arise in council life but it reflects an approach and sets standards which will serve as a guide to dealing with other issues. It is intended to guide new members and officers and explain to them what they can expect of each other. It also explains what to do when things go wrong.
3. This protocol also applies to voting non-elected members of committees and also to consultants and agency staff working for the council, to whom a copy should be supplied. With regard to associates from partnership organisations, where their organisation has no code of conduct, it is expected they will abide by the principles of Southwark's code and this protocol.
4. Members appointed to outside bodies or partnership organisation representatives of Southwark Council need to be aware that the member code of conduct will apply to these appointments. However, members are advised to be aware that other conduct arrangements of the outside body are likely to exist. In those circumstances, members should comply with both sets of conduct arrangements, unless the Southwark Code of Conduct conflicts with the lawful obligations of the outside body.

Review

5. The standards committee and the monitoring officer will jointly keep the protocol under review and make recommendations for changes as appropriate. Review will take place in time for an updated version to be circulated annually after constitutional council with the new constitution, to all members and officers.

~~The monitoring officer will assess the corporate awareness of the protocol annually and report to standards committee.~~

Definition of the role of officers and members

Appendix A

6. Both councillors and officers are servants of the public and they are indispensable to one another but their responsibilities are distinct.

Members

7. Councillors are responsible to the electorate and serve only so long as their term of office lasts. All councillors have responsibilities to determine the policy of the council, monitor its performance, represent the council externally and act as advocates on behalf of their constituents. Executive members, chair and vice-chairs of scrutiny and other committees may also have additional responsibilities. However, all councillors have the same rights and obligations in their relationship with officers and should be treated equally.

Officers

8. Officers are responsible to the council. Their job is to give **full and impartial** advice to councillors and the council, and to carry out the council's work under the direction and control of the council, its executive, committees and sub-committees. Within these guidelines all officers should endeavour to give every assistance to members carrying out their various roles. Officers have a duty to keep members of all political groups fully informed about developments of significance in relation to council activities.

Roles of statutory officers

~~The duties of both the monitoring officer and chief financial officer (apart from the administration of the financial affairs of the council) must be carried out personally, but can be carried out by a deputy nominated by them in cases of absence or illness and, in the case of the monitoring officer, the deputy may also carry out functions prescribed by statute and regulations.~~

Post	Designation	Deputy
Chief executive	Head of paid service	N/A
Director of legal and democratic services	Monitoring officer	Head of legal services
Finance director	Chief financial officer	Chief executive

Member officer relations

9. One of the key issues addressed by the member and officer protocol is the question of member officer relations. Mutual trust and respect should be the key aim of both members and officers, as it is essential for good local government.

Obtaining or granting favours

Appendix A

10. The member code of conduct emphasises the need for members to avoid behaviour which could be viewed as conferring an advantage or disadvantage on an officer. Members should not seek personal favours from officers. Officers should not be tempted to give favours to please a councillor. An example of favour seeking would be asking whether a councillor's parking ticket could be withdrawn or whether an application for a service could be expedited. Similarly officers should not seek to circumvent agreed staff consultative procedures by lobbying councillors on matters which directly concern them as employees.

Member Involvement in officer issues

11. Issues relating to the appointment, management and dismissal of **most** officers ~~below the grade of deputy chief officer~~ are reserved by law to the chief executive and officers appointed by her. Member involvement in employment issues generally, including where they relate to senior officers is set out in the Local Authorities (Standing Orders) (England) Regulations 2001 and within the council's constitution.
12. Where an employee is also a constituent it may be proper for the member to make written/oral representations to the relevant chief officer, or disciplinary hearing, but the member should not take a proactive part representing or in any other way advocating on behalf of any such employee in any disciplinary procedures brought by the council against the employee.

Personal familiarity

13. Personal familiarity between members and officers can undermine public confidence in the council. It is acknowledged that some close relationships will inevitably develop, particularly when officers and executive members or chairs of committees work closely together. It is important that close relationships between members and officers are openly declared and should never be allowed to become so close, or appear to be so close as to bring into question the officer's ability to deal impartially with other members and other party groups, nor to undermine public trust and confidence in the council. Where possible members and officers who have close personal relationships should try to avoid coming into contact on projects and in the day-to-day business of the council.

Courtesy

14. Members and officers should be courteous to each other at all times even if they disagree strongly with each others' views.

Bullying

15. Members and officers must not bully any person. Bullying may be characterised as offensive, intimidating, malicious, insulting or humiliating behaviour. Such behaviour may happen once or be part of a pattern of behaviour directed at a weaker person or person whom the member or officer has some actual or perceived influence over

Appendix A

16. Bad relations between members and officers can be equally destructive to good governance. Members may from time to time become frustrated by what they regard as unacceptable or incompetent officer behaviour. It is self-evident that sometimes these feelings may be entirely justified although sometimes there may be a legitimate reason why member expectations cannot be met, e.g. because of a council policy or a legal requirement such as confidentiality.
17. However, members should take up their concerns through the dispute procedure described in this document, rather than through public criticism. They should bear in mind that officers are instructed not to “answer back” in public. Attacking an officer’s conduct in public can in severe cases constitute bullying, and the Standards Board has already suspended one councillor for such behaviour. Similarly, undue pressure brought by either officers or members in private can be construed as bullying.

Lines of contact between members and officers

18. It must be remembered that officers within a department are accountable to their chief officer. Chief Officers through their senior management are responsible for the allocation of work to, and the prioritising of work by, their staff. ~~Members should direct enquiries to junior staff through senior management, or if the matter is routine at least keep a senior manager informed by copying the manager in on correspondence or emails.~~
19. Members should direct enquiries to staff through senior management, or if the matter is routine at least keep a senior manager informed by copying the manager in on correspondence or emails.
20. Officers should not leave confidential or sensitive papers visible on their workstation or in other areas and should lock them away if they have to leave that area for any reason.
21. Where members and officers share an office building particular care needs to be taken to maintain appropriate lines of contact. Members and officers are reminded that within an open plan environment certain standards are expected to be maintained. In particular meetings should not be held at workstations, members and officers should use the meeting facilities provided and sensitive or confidential issues should not be discussed in the open plan environment. Further details of the standards can be found on the intranet.
22. Officers should always seek to assist members but in so doing they must not go beyond the bounds of whatever authority they have been given by their chief officer under the ~~delegation~~ scheme of management.

Visits to offices by members

23. In relation to visits to front-line services by members, members should consider advising relevant chief officers in advance of such visits. In the case of unannounced visits to front-line services, members should take care not to disrupt organisations unreasonably. If the visit is of a statutory inspection nature other procedures apply.

24. Making an agreed time to meet with an officer is a better way of working than arriving at an officer's desk. Managers will have agreed work priorities with staff.
25. Members are advised that they have carry some personal responsibilities regarding to ensure health and safety standards are maintained at all times while on council premises and also for their private guests. Members are advised that their private guests also have personal responsibilities regarding health and safety.

Reports

26. Officers' reports should contain clear, evidence-based advice as to why a course of action is being recommended. From time to time corporate advice is given to officers on report writing and they should take care to follow it. The report should lay out all relevant factors for the decision maker, exclude irrelevant considerations and examine all alternatives in an even handed way. Officers should take care to include even unpopular options if they feel they are relevant. They should bear in mind that if they have not done so and the decision is later challenged or proved to be the wrong decision they may find themselves personally and professionally liable.
27. Members can refuse to agree recommendations and table amendments to any recommendations. The member should be clear about the reasons for making alternative recommendations, and any amendments or recommendations proposed at a meeting should have a clear and rational basis, which is accessible to the public.
28. With executive reports the report writer should consult with the relevant executive member(s). That member is able to write his or her report in addition to the report submitted by the chief officer.
29. Where there is disagreement about the right course of action, it is always best practice for this to be open with both opinions available for discussion. Sometimes, in the course of preparing reports, these disagreements can be reconciled. However, it is always poor practice to bring pressure to bear on officers unwilling to amend their professional judgement, and in some cases this could be construed as bullying.
30. In relation to action between meetings, it is important to remember that the law only allows for decisions (relating to the discharge of any of the council's functions) to be taken by the executive, an executive member, a committee, a sub-committee or an officer. It is however both legal and good practice for executive members individually and as a whole, and chairs of committees to be briefed by officers in advance of meetings and also to meet to plan agendas for meetings.

Officer advice to party groups

31. There is now statutory recognition for party groups and it is common for such groups to give preliminary consideration to matters of council business in

Appendix A

advance of such matters being considered by the relevant decision making body. The opposition groups may seek support to enable them to function as an effective opposition on the bodies on which they sit.

32. Officers may properly be called upon to support and contribute to deliberations by party groups, provided they maintain a stance which is politically impartial. Officers should be required to give information and advice to political groups on matters relating to the council's functions only and not on matters which are primarily issues of party politics or political strategy. It is important that the political neutrality of officers is preserved. When engaging council officers at group meetings, party members should seek to avoid involving them in any political debate. With the exception of political assistants, officers should not attend, or be invited to attend, any political group meeting which includes non-council members.
33. Attendance at group meetings should normally be restricted to chief officers ~~or divisional service managers who could be expected to have an understanding of both service and political perspectives. If other officers are asked to attend group meetings they should be invited to attend with their chief officer or head of service.~~ If other officers are required this should be organised by the chief officer.
34. These briefings are confidential, to allow the free expression of views, and officers must maintain confidentiality. However, any written report supplied to party political group must be accessible to members of other parties.

Support services for members

35. The role of officers is to assist members in discharging their role as members of the council for council business and in their role as advocates for local communities. Officers should not be used in connection with party political campaigning or for private purposes, and this includes the support offered by political assistants.
36. Council resources such as stationery and photocopying may only be used when a member is carrying out council business ~~or where such use may be seen as calculated to facilitate or is conducive or incidental to the discharge of the functions of the authority or of the office to which the member has been elected or appointed~~ or when they are directly required for any office to which the member has been elected or appointed by the Council.
37. Support to members is a resource, which is subject to the same budget pressures as any other. Given its importance to how effective members can be, it is essential that its allocation is agreed to be fair and in proportion to the duties of all groups of members.
38. Direct support and administrative help is provided by member services. Information technology support and training responsibilities are shared between a number of sections but are organised through the member services' manager. From time to time the manager or the member development and e-governance officer will issue training and guidelines on the proper and effective use of council

Appendix A

supplied I.T. resources. Requests for further assistance or clarification should be referred in the first instance to them.

39. Use of council resources includes the use of council owned facilities. Outside of council meetings, political groups represented on the council may use town hall meeting rooms for private meetings of their group which will include ordinary group meetings and training sessions. Non-town function halls can be hired under the council's normal conditions of charging for other types of meetings.
40. Use of the council chamber for party political purposes will only rarely be permissible and applications will be referred to the monitoring officer.

MOVED TO COMMUNICATIONS PROTOCOL**Postage**

~~Preparation and postage of correspondence are a significant part of the support given to members. The content and purpose of letters, leaflets, and other correspondence must relate to the member's role in the authority. The members' services manager will arrange for monitoring arrangements to be put in place, and refer doubtful cases to the monitoring officer.~~

~~While this is not an exhaustive list, the use of council resources in the preparation and postage of the following kinds of post are not likely to be appropriate:~~

- ~~• Mailshots to all inhabitants of a ward;~~
- ~~• Letters sending out information (about timing of planning applications, refuse collections etc), which it is the task of officers to publicise, but requests will be considered on a case by case basis; or,~~
- ~~• Letters which criticise other groups and their members or praise the writer or their political group.~~

~~Where members are uncertain as to whether a communication or publicity is appropriate they should seek advice from the head of communications and the monitoring officer in those cases.~~

~~Nothing in this protocol prevents the chief executive from approving the issuing of constituency wide mailshots, informing constituents who their ward councillors are, how they can contact them and other general information on the member, for the purposes of raising the profile of ward councillors generally.~~

MOVED TO COMMUNICATIONS PROTOCOL**Correspondence**

~~In general correspondence from one member should not be copied to, or discussed with, another member without the member's consent subject to any rights of access arising from the Freedom of Information Act 2000 and The Data Protection Act 1998. If a member has sought advice from an officer and included~~

Appendix A

~~a circulation list at the bottom of the letter, it can be assumed that the officer's response can be circulated to those people on the circulation list for the original letter, even if that list includes other members.~~

~~This does not prevent officers copying letters to each other about casework across ward or interest boundaries in order to respond to a member inquiry. Points of general interest to all members may be converted into general advice, and circulated (within the limitations set down in the Data Protection Act). A chief officer is also able to advise a relevant executive member in general terms of an issue raised with the chief officer in correspondence, or otherwise, by another member.~~

~~Official letters from the council should normally be sent out in the name of the appropriate officer rather than a member. It may be appropriate for members to write in certain circumstances (e.g. representations to a government minister), however, this would be the exception rather than the norm. Letters which create obligations or give instructions should not be sent out in the name of a member.~~

MOVED TO COMMUNICATIONS PROTOCOL

Emails

~~The standards set out for officers in the use of emails apply equally to members. The key standards are that:~~

- ~~• Any behaviour or comment that is not permitted in the spoken or paper environment is also not permitted in an email message.~~
- ~~• Email messages should be inoffensive and should not be construed to harass.~~
- ~~• Emails must not incite racial hatred or be pornographic in nature either in the body of the text or as an attachment.~~
- ~~• Chain emails should not be forwarded on.~~
- ~~• A restricted level of personal use of the email account is permitted provided they are sent outside working hours, does not interfere with work commitments and does not constitute misuse as detailed above.~~

~~As a general rule, emails cannot be used for party political purposes but:~~

- ~~• Emails organizing the political group in relation to council business are allowed.~~
- ~~• The use of the email address in a party political leaflet to advertise a ward surgery or as a means of allowing residents to contact their ward members on non-party political matters is allowed.~~
- ~~• Emails to newspapers as a means of commenting on council business from the political group's perspective are allowed.~~

Member development program

41. The council through organisation and development runs a member development scheme which is coordinated through the organisational development unit. However the scheme reflects the obligation on all parts of the council to ensure that all members are able to achieve their full potential in the position to which they have been elected. When this is achieved it benefits the council as a whole and the people of the borough but it also improves the mutual understanding of members and officers.
42. Further advice on support for members can be obtained from democratic services or member services.

Use of Information Technology

43. Where a member is using or accessing the council's resources, s/he must act in accordance with the council's requirements and ensure such resources are not used for any unauthorised or political purpose. This includes Information Technology (IT) resources; the term 'IT', means computers and any systems used to create, store or exchange information electronically. Similarly 'computer' means an electronic device used for storing and processing information, such as desktop and notebook computers (laptops) and hand held devices (such as BlackBerrys).
44. Members must not use any computer equipment and systems supplied by the council to conduct any business activity other than for their role as a councillor.

Using and Caring for Equipment:

45. Members have a personal responsibility for any IT equipment supplied to them by the council and should take all reasonable steps to ensure that this equipment is kept safe and in good working order. They should inform the provider of their household insurance that they have this personal responsibility. Members should note the council's insurance does not allow claims of below £1,000. Members should also report any loss/theft to member services in order to secure replacement equipment.
46. Members must not attach any other hardware or communication equipment to the computer supplied by the council without prior authorisation from the Council. A restricted level of personal use of the equipment is permitted provided it does not constitute misuse as detailed in the communications protocol.
47. IT equipment supplied to Members remains the property of the council and should *must* be returned if *when* their period of office ends.

Political assistants

48. The Local Government and Housing Act 1989 gives councils a power to appoint political assistants to qualifying political groups. Southwark council currently employs political assistants to the two largest groups. Political assistants are council officers who are employed to assist members of a political group, "in the discharge of any of their functions as members of a relevant authority." Unlike other officer appointments, the political affiliations and preferences of the political

group for whom the assistant is hired can be taken into account in the selection process. They provide a useful means of broadening the base of advice to members.

49. The Act also restricts the work that political assistants can do. A political assistant's role is to provide assistance to members in carrying out their duties as members of the authority, and not in any additional political, or other, activity. For example, political assistants are not employed to work on election campaigns. Political assistants hold politically restricted posts under the Local Government and Housing Act 1989, and therefore also face restrictions on their personal political activity. ~~[Footnote: The ODPM's December 2005 recommendations relating to political assistants indicate that the government is not intending to make any further changes to the rules relating to political assistants.]~~

Members' access to information and council documents and data information

50. Members often require access to information to carry out their work in decision making, scrutiny, and representing their constituents. Officers should always process such requests promptly. They are required to ensure that the information required can be released. In some cases they will need to consult their managers or third parties who may hold the information, which may cause some delay.
51. The process for obtaining information is set out in the access to information rules in the council's constitution. Advice on the legal framework can be obtained from the monitoring officer.
52. The common law right of members is based on the principle that any member has a prima facie right to inspect council documents so far as his/her access to the documents is reasonably necessary to enable the member properly to perform their duties as a member of the council. This principle is commonly referred to as the "need to know" principle and it is well established that a member has no right to "a roving commission" to go and examine documents of the council. The crucial question is the determination of the "need to know" and this question must initially be determined by the particular chief officer whose department holds the document in question (with advice from the monitoring officer).
53. In some circumstances (e.g. an executive or scrutiny committee/sub-committee member wishing to inspect documents relating to the functions of their portfolio/committee/sub-committee) a member's "need to know" will normally be presumed, and also where the member is representing a constituent within his ward, although in these cases there may be legal reasons restricting the information that can be produced. In other circumstances (e.g. a member wishing to inspect documents which contain personal information about third parties) a member will normally be expected to justify the request in specific terms, possibly in writing.
54. ~~Guidance on holding and processing data to comply with the Data Protection Act is issued by the corporate records manager, who acts as the council's data protection officer~~ can be found on the Source. Assistance with compliance is coordinated by member support services, but members should be aware that

they are personally responsible under the Act, and should take care to follow any guidance issued.

Confidentiality

55. Sometimes information will be supplied in confidence and paragraph 4 of the Southwark council code of conduct for members makes it clear that such information should not be disclosed without the consent of a person authorised to give it, or unless he or she is required by law to do so.
56. Recent case law confirms that a member may benefit from the public interest defence in some specific circumstances. However, those circumstances are rare and any member considering leaking confidential information should take legal advice immediately where their actions may impact on individuals.
57. Members are also reminded that there is an agreed process for applying for the release of information contained in the Freedom of Information Act 2000. Further details of this are available on the council's website.

Freedom of Information Act 2000

58. Under the Freedom of Information Act (FOI), councillors like other members of the public have a general right, subject to any applicable exemption, of access to information. Requests under the Freedom of Information Act must be in writing and contain sufficient information to enable the document to be identified. There is a requirement under the Act that for the information to be disclosed within 20 working days.
59. There is no requirement under the Act for the member to specify whether or not the information is requested under the Freedom of Information Act. Officers should therefore in all cases ascertain from the member whether or not the information is sought under the Freedom of Information Act and if so to advise the member that the request will be dealt with within the statutory time limit of 20 working days.
60. Where the request is for access to documents that are unrelated to any council meeting or where the member requesting the information is not the ward member, officers must inform the member that the request is being treated as a Freedom of Information request and that a response will be provided within 20 working days.

Operation of the overview & scrutiny committee and its sub-committees

61. The overview & scrutiny committee and its sub-committees may require officers and members to attend and provide any information required to answer questions. It is the duty of any officer or member to attend and answer questions (other than those which he or she would be entitled to refuse to answer in a court of law) if the overview & scrutiny committee and its subcommittees so request. The council may consider that chief officers and other senior managers as described in the delegation scheme (contained in the departmental schemes of

Appendix A

management) and not more junior staff are the appropriate officers to attend scrutiny meetings and answer questions.

62. Members of the overview & scrutiny committee or one of its sub-committees should explain the role and operation of the committee/sub-committee, particularly in relation to future policy development, before asking questions of witnesses. Members should adopt an inquisitorial (information seeking) approach to questioning rather than a confrontational one. They may be firm and assertive, but adopting a facilitative and exploratory way of working should generate an atmosphere in which members and officers can explore issues openly and honestly. Under no circumstance should members adopt a rude or aggressive style.
63. Officers should provide all relevant information in their possession, and they should use their best efforts to make sure that they possess all relevant information. They should never seek to conceal or 'improve' inconvenient facts, and more senior officers, or other members should never attempt to persuade them to do so.
64. Reports of scrutiny committees, while drafted by officers, are the reports of the committees themselves and there is nothing improper in members of those committees asking for draft reports to be amended.

Ceremonial events

65. Civic ceremonial events will normally be led by the Mayor or the Deputy Mayor with the leaders of all political groups and other local members informed or invited as appropriate.

MOVED TO COMMUNICATIONS PROTOCOL

Other events

~~Events which involve government ministers or other political figures should usually be led by the leader or executive member with the Mayor informed or invited to lead as appropriate. Ward councillors and leaders of all the political parties should be invited where possible and appropriate.~~

MOVED TO COMMUNICATIONS PROTOCOL

Involvement of ward councillors

~~Ward councillors should be kept informed and consulted on relevant matters affecting their ward, i.e. on planning, licensing and other relevant matters (unless the ward councillor will be involved in making a decision at their community council). In the case of public meetings in a particular locality, all ward councillors will normally be invited to attend and should normally be consulted on any form of consultative exercise on local issues.~~

When things go wrong:

Procedure for officers

66. It is always preferable to resolve matters informally, through an appropriate senior manager. Officers however do have recourse to the staff complaints procedure (which is contained in ~~the business managers handbook~~ [Managing@Southwark](#)), the protections laid down in the officer employment procedure rules (contained in part 4 of the constitution) or to the council's monitoring officer. In some cases they may wish to utilise the council's whistleblowing procedure (again contained in ~~the business managers handbook~~ [Managing@Southwark](#)). In the event of a complaint being upheld, the matter will be referred to the chief executive. A local solution may be found after discussion with the leader of the council and the leader and/or whip of the group concerned. Referral of the matter to the standards board should be considered, particularly in serious cases, and the advice of the monitoring officer should be sought.

Procedure for councillors

67. Where a member is dissatisfied with the conduct, ~~behaviour or performance~~ of an officer and ~~feels that the officer response is unsatisfactory~~ they have been unable to resolve the issue they should refer the matter to the officer's ~~head of service~~ divisional service manager or senior relevant chief officer, who will nominate an appropriate manager to carry out any investigation required. The manager should then make a preliminary investigation and consider whether the council's disciplinary and capability procedure is appropriate, and then follow the appropriate procedure. The manager should then report back to the member concerned that the appropriate procedures have been followed.
68. Where the complaint relates to a chief officer or monitoring officer, the complaint may be referred to the chief executive for an informal review, conciliation and resolution where possible. If the matter is not resolved at this preliminary stage or in cases of serious complaints, the chief executive, taking appropriate advice will consider whether any formal process under the council's employment procedures and as set out in the council procedure rules, is appropriate.
69. Where a complaint relates to the chief executive both the member concerned and the chief executive should consider whether a meeting may resolve the situation and whether that could be facilitated by the whip or leader of the relevant political group, if any, attending. The chief executive will provide the member with a written response to their complaint.
70. If the member remains dissatisfied with the response of the chief executive s/he will notify the monitoring officer and the head of human resources in writing and they will prepare a report for consideration by the leader of the council. The leader of the council, taking advice as appropriate, will have regard as to whether a formal process, as set out in the Local Authorities (Standing Orders) (England) 2001 is appropriate.

Standards committee

Appendix A

71. The function of the standards committee is set out in the council's constitution. It has a role in offering guidance on the content and working of this protocol, although it will not arbitrate, except in considering cases relating to potential breaches of the members' code of conduct. ~~Such cases would have been referred to the Standards Board for England in the first instance.~~

Item No. 6.3	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Review of the Communication Protocol	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law and Governance	

RECOMMENDATION

1. That Council Assembly agree the attached communication protocol at Appendix A.

BACKGROUND INFORMATION

2. The communication protocol was introduced in May 2004. This present review of the communication protocol is part of the overall review of the constitution carried out annually.
3. The communication protocol was considered by the Standards Committee and the Constitutional Steering Panel and reported to the council assembly (annual meeting) on May 20 2009. Council assembly agreed to refer the protocol to the Constitutional Steering Panel for further consideration.
4. The revised communication protocol is recommended by the Constitutional Steering Panel, which met on June 17 2009.

KEY ISSUES FOR CONSIDERATION

5. The Constitutional Steering Panel met on June 17 2009 to consider the communication protocol. The Panel agreed that reference to a sign off by the relevant member be included in paragraph 18 and the reference to seeking advice on release of confidential information be removed from paragraph 26. In relation to the latter point, the code of conduct and the Standards Board's guidance on the code that was distributed to all members as part of the code of conduct training last year sets out the rules and detailed guidance on what steps need to be taken to avoid a breach of the code.

Community Impact Statement

6. Good relationships between members and officers are very important in aiding the decision-making process and helping to boost public confidence in the council. A protocol that defines each party's responsibilities creates certainty, which in turn leads to better decision-making and a more satisfied customer.

Legal implications

7. The legal implications are included in the report.

Resource Implications

8. Any resource implications will be contained within existing budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Previous report to Council Assembly entitled Review of the Communications Protocol dated May 20 2009.	Constitutional Team, Southwark Town Hall, Peckham Road, London SE5 8UB	Lesley John 020-7525-7228

APPENDICES

No.	Item
A.	Communication protocol

AUDIT TRAIL

Lead Officer	Deborah Collins, Strategic Director of Communities, Law and Governance	
Report Author	Norman Coombe, Principal Lawyer, Governance Team	
Version	Final	
Dated	June 24 2009	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Incorporated
Finance Director	No	No
Executive Member	N/a	N/a
Date final report sent to Constitutional Team	June 24 2009	

COMMUNICATION PROTOCOL

Scope of the protocol

1. This protocol applies to all publicity issued or produced and paid for out of the council's resources.
2. The protocol also applies to any other material issued by organisations that are either wholly or partly separate from the council but which use council's grants or other funding from the council to produce the publicity.

The Legal Framework

3. When publishing any material at any time, a local authority must comply with the provisions of the Local Government Act 1986 (the Act) and the Code of Recommended Practice on Local Authority Publicity 1988 (the Code) which was revised in April 2001. Section 2 of the Act states as follows:
 - (1) A local authority shall not publish (or assist others to publish) any material, which in whole or in part is designed to affect public support for a political party
 - (2) In determining whether material falls within the prohibition regard shall be had to the content and style of the material, the time and other circumstances of the publication and the likely effect on those to whom it is directed and in particular the following matters:
 - a. Whether the material refers to a political party or to persons identified with a political party or promotes or opposes a point of view on a question of political controversy which is identifiable as the views of one political party and not of another;
 - b. Where the material is part of a campaign, the effect that the campaign appears to be designed to achieve.
4. The key points to note from the above section and the Code are as follows:
 - Any material which in whole or in part appears to be designed to affect public support for a political party is prohibited.
 - Any publicity describing council policies and aims should be as objective as possible, concentrating on facts or explanations or both.
 - Where publicity is used to comment on, or respond to the policies and proposals of central government, or other local councils, the comments or response should be objective, balanced, informative and accurate.
 - Publicity must be objective, explanatory and avoid personalisation of the issues or inappropriate personal image making. A press release should not be used to explain party political differences.
 - When deciding whether publicity may fall foul of the Act and the Code, the council should consider:

- The content and style of the materials
 - The timing and circumstances of the materials
 - The likely effect on those to whom it is addressed
 - Whether it refers to a political party or politician
 - Whether it advocates a particular view that can be easily identified with a political party and
 - If it is part of a campaign, the effect that campaign is designed to achieve.
5. Section 6 of the Act defines publicity as “any communication in whatever form, addressed to the public at large or to a section of the public”.

Publicity of Individual Councillors

6. Publicity about councillors may include their contact details, their political affiliation, the position they hold within the council and their responsibilities.
7. Publicity may include information about individual councillors’ proposals, decisions and recommendations where this is relevant to their position and responsibilities within the council. Publicity of individual councillors should avoid personalisation of issues or personal image making.

Ward Member of the Council

~~Ward councillors should be kept informed and consulted on relevant matters affecting their ward, i.e. on planning, licensing and other relevant matters (unless the ward councillor will be involved in making a decision at their community council). In the case of public meetings in a particular locality, all ward councillors will normally be invited to attend and should normally be consulted on any form of consultative exercise on local issues.~~

8. Ward councillors will be invited to attend public meetings and events organised by the council to consider a local issue and will also be kept informed of consultative exercises on local issues. Some events will involve some members in formal roles, i.e. take part in photo opportunities, make presentations or officially address an audience and members will be advised of what those formal roles are and who is involved in those at the time of invitation.

Official visits by Government and Shadow Ministers

9. It is open to government and shadow ministers to visit the borough at any time. However should the minister require assistance or access to any of the council’s services or facilities, the visit will need to be arranged through official channels of the council. This will ensure that appropriate support is provided on the day.

10. To this end all such requests from government and shadow ministers must be referred to the head of communications who will promptly notify the chief executive of the request.
11. The head of communications will liaise with their counterpart at the relevant government department to ascertain the purpose of the visit. The head of communications in consultation with the chief executive and monitoring officer will authorise the visit if satisfied that the visit would assist the council in promoting one or more of its policies and or objectives or would be purely for fact finding.
12. Events which involve government ministers or other political figures and shadow ministers should usually be led by the leader or executive member with the Mayor informed or invited to lead as appropriate. Ward councillors and leaders of all the political parties should be invited where possible and appropriate.

Visits by Local and other Members of Parliament (MPs)

13. There may be instances where local and other MPs who are not Ministers will have a special interest in attending an event that is taking place in the borough. In this instance the MP in question may either be formally invited or merely informed about the event. Where the MP has not been specifically invited to attend, he or she should not expect to be treated as an "official" invitee.

Promotional publicity

14. Local authorities are authorised under the Local Government Act 1972 to publicise information as to the services provided by them or other local authorities in their area. Publicity can also be used to explain or justify the council's policies either in general, such as in the annual report, or on specific topics, for example as a background to consultation. However, any such publicity must be objective and factual.

Publicity of matters going before the executive, council assembly or any committee of the council.

15. All matters going before the executive, council assembly or committees for decision are publicised five clear working days before the meeting unless the report contains exempt information (i.e. information that has been judged by the proper officer as confidential). Some matters will obviously generate more press interest than others. Where the press is interested in a matter that is to be the subject of a decision by the council, the head of communications in conjunction with the relevant chief officer and executive member may issue a press release explaining the reasons behind the recommendations. Any such press release must be factual and objective. Members may be asked by the media to comment on this press release but should remember that whilst criticism of ideas and opinion is part of the democratic process, a member must comply with the code of conduct.
16. Where there has been misinformation about any of the council's policies or objectives the head of communications is authorised to take any appropriate corrective measures.

Scrutiny

17. Publicity about scrutiny will concentrate on factual information about which scrutiny exercises the council is conducting, who is involved, the process they will follow and the decisions they take. Where scrutiny suggests a course of action that differs to or challenges one agreed by the executive or any other council decision making body, this would be made clear in publicity together with the process for resolving the difference.

~~Enquiries from the press~~

- ~~18. All enquiries from the press should be referred to the communications team before any comment is given. It is the responsibility of the communication unit to prepare the response in conjunction with the relevant service area or the relevant executive member.~~

Press Release

18. All press releases from the council must be agreed and signed off by the communication unit and issued either electronically or on council headed paper. Press releases containing quotes from members must be agreed and signed off by the appropriate member.

~~Press releases will not contain quotes from members other than those set out in this protocol as designated spokespersons. The press releases will explain the council's decisions and issues faced by the council in a factual way. Press releases issued after a council meeting will only relate to matters discussed at the meeting. Releases issued before a meeting should be based only on factual information.~~

~~Obligations on officers in relation to documents being prepared for public consumption~~

~~During the period between the notice of elections and the elections themselves, no council officer may attribute quotes to any councillor in news releases or the council's publications or leaflets except in the exceptional circumstances set out in the code of practice. No officer may attribute views, proposals and recommendations to any particular member or group. No council officer may issue publicity on any controversial issues unless it can be handled in a way that avoids a personal or party political dimension.~~

Publicity during elections

19. The Code states that councillors and candidates in an election should not be provided with any form of publicity during the period between the notice of an election and the election itself.
20. Councillors in key positions should only comment on behalf of the council in an emergency.
21. Any publicity about events or services must be factual and not party political.

22. Any publicity should not deal with controversial issues or report views, proposals or recommendations in such a way that it identifies them with individual councillors or groups of councillors or political parties.
23. The council should not produce publicity designed to influence the views of local people on petitions, referendums or specific proposals.
24. Councillors, MPs and candidates in the election may attend the public parts of council premises, even if they intend to use it as a photo opportunity, so long as any such attendance is not organised or funded from council resources and council equipment and employees are not involved.

The role of the communications unit

25. The communications unit works on behalf of the council and not for any political party. The purpose of its work is to provide high quality information about the council, its policies and its services and to maintain public confidence and where appropriate to protect and to promote the council's reputation. It aims to encourage ~~public participation and the creation of local partnerships~~ better relationships with the local community. It is important to remember that all publicity and press releases are directed through the communications unit so these goals can be achieved.
26. The head of communications can advise members on how to deal with press enquiries, and how to arrange publicity for events, which can be properly publicised. ~~Members should seek advice before releasing information to the press, which they have obtained in their role as members.~~ They have a remit to discover and make public inefficiency and poor public service, however they should be careful where a matter they wish to make public relates to identifiable officers. ~~, and seek advice from the head of communications or the monitoring officer.~~
27. Publicity and information will cover areas such as why the council makes the decisions it does, and why other proposals are rejected. The communications unit will feature the decisions of the council – i.e. those decisions made by the council assembly, executive, scrutiny, planning or licensing committees or community councils, or those actions which have been taken within the broad policy framework already set by the council, subject to any call in arrangements.

Obligations on officers in relation to documents being prepared for public consumption

28. Council staff and resources must not be used to arrange proactive events, such as photocalls, if they would provide politicians with a platform to communicate with the public that would not otherwise be available to them. ~~However, there is no reason why councillors, MPs and candidates in the election should be refused access to the public parts of council premises, even if they intend to use it as a photo opportunity, so long as it is not organised or funded from council resources and council equipment and employees are not involved~~

29. When considering whether a communication or publicity is safe to be put out officers should ask themselves whether the communication or publicity is objective, balanced, informative and accurate. If the answer is an unequivocal yes then the communication or publicity is safe to be put out.
30. Where officers are uncertain as to whether a communication or publicity is appropriate they should seek advice from the communications unit and the monitoring officer.
31. If something cannot go out as a member has suggested then officers can explain why and offer an alternative form of words. Again the communications unit or the monitoring officer can offer you guidance on what would be appropriate.

The role of the mayor & deputy mayor

32. The mayor is the first citizen of the borough and as such is apolitical. He or she is responsible for promoting the council as a whole and representing the council in civic and ceremonial events.
33. The mayor is also responsible for chairing meetings of the council and interpreting the constitution as necessary. Where the mayor is unable to act or the office is vacant, the deputy mayor will discharge all of the mayor's duties except that the deputy may not chair meetings of the council unless specifically appointed to do so.

Key spokespeople

34. The role of the spokesperson is to present facts about council decisions, the context in which they were taken, actions, and issues faced by the council. Members who are key council spokespeople are the leader and deputy leader and executive members within their portfolio, the chair of overview and scrutiny committee, planning chair, licensing chair, chair of the relevant community council, standards chair and chair of the audit and governance committee. They will be quoted or featured in publicity where it relates to their areas of responsibility within the council.

Correspondence

35. In general correspondence from one member should not be copied to, or discussed with, another member without the member's consent subject to any rights of access arising from the Freedom of Information Act 2000 and the Data Protection Act 1998. If a member has sought advice from an officer and included a circulation list ~~at the bottom of the letter~~, it can be assumed that the officer's response can be circulated to those people on the circulation list for the original letter, even if that list includes other members.
36. This does not prevent officers copying letters to each other about casework across ward or interest boundaries in order to respond to a member inquiry. Points of general interest to all members may be converted into general advice, and circulated (within the limitations set down in the Data Protection Act). A chief officer is also able to advise a relevant executive member in general terms of an issue raised with the chief officer in correspondence, or otherwise, by another member.

37. Official letters from the council should normally be sent out in the name of the appropriate officer rather than a member. It may be appropriate for members to write in certain circumstances (e.g. representations to a government minister); however, this would be the exception rather than the norm. Letters which create obligations or give instructions should not be sent out in the name of a member.

Postage

38. Preparation and postage of correspondence are a significant part of the support given to members. The content and purpose of letters, leaflets, and other correspondence must relate to the member's role in the authority. The members' services manager will arrange for monitoring arrangements to be put in place, and refer doubtful cases to the monitoring officer. A facility exists to send out pre-paid reply envelopes with correspondence.

~~While this is not an exhaustive list, the use of council resources in the preparation and postage of the following kinds of post are not likely to be appropriate~~

- ~~• Mailshots to all inhabitants of a ward;~~
- ~~• Letters sending out information (about timing of planning applications, refuse collections etc), which it is the task of officers to publicise, but requests will be considered on a case-by-case basis; or,~~
- ~~• Letters which criticise other groups and their members or praise the writer or their political group.~~

39. The use of council resources in the preparation and postage of the following kinds of post are not permitted:

- Private mail including correspondence for other bodies
- Mailshots
- Letters sending out information (concerning planning application, refuse collection, etc) which is the responsibility of officers
- Letters which criticise other groups and their members or praise the writer or their political group.

For the avoidance of doubt, correspondence to residents about the location of surgeries by members who do not have a fixed location for their surgery shall not constitute a mailshot.

40. The question of what is a mailshot has proved problematic. Members are entitled to use council resources to respond to requests that their constituents have raised with them for action and explain what action has been taken, but not generally to publicise their work in the ward. Requests to send out large numbers of letters will have to show what demand is being responded to, and that the letter is a proportionate response to that demand. In any event, member services do not have the resources to send out more than one batch of such letters a month for any member. Members are reminded that this is a finite resource, and member services may need to limit the use of this if excessive costs are incurred.

41. Where members are uncertain as to whether a communication or publicity is appropriate they should seek advice from the head of communications and the monitoring officer in those cases.

Emails

42. Email and Internet access facilities are provided to members to support work on council related activities. The standards set out for officers in the use of emails apply equally to members. The key standards are that:

- Any behaviour or comment that is not permitted in the spoken or paper environment is also not permitted in an email message.
- Email messages should be inoffensive and should not be construed to harass.
- Emails must not incite racial hatred or be pornographic in nature either in the body of the text or as an attachment.
- Chain emails should not be forwarded on.

~~A restricted level of personal use of the email account is permitted provided they are sent outside working hours, does not interfere with work commitments and does not constitute misuse as detailed above.~~

43. As a general rule, emails cannot be used for party political purposes but:

- Emails organising the political group in relation to council business are allowed.
- The use of the email address in a party political leaflet to advertise a ward surgery or as a means of allowing residents to contact their ward members on non-party political matters is allowed.
- Emails to newspapers as a means of commenting on council business from the political group's perspective are allowed.

44. Members should remember that emails may be subject to disclosure if a request is made under the Freedom of Information Act 2000.

45. Any use of IT resources, including email and the internet, that contravenes any legislation (such as the Data Protection Act 1998; the Computer Misuse Act 1990; and the Copyrights, Designs and Patents Act 1988 [amended 2002]); or breaches the general obligations of the Member Code of Conduct; or breaches council policies on information security is considered to be unacceptable. Members are responsible for the content of any email sent from your username and in certain circumstances the council may also be found liable for the content of such email.

46. Emails and other personal information should be retained only for the minimum period necessary, in accordance with the Data Protection Act 1998. Further details on the Data Protection Act in term of members' business use can be obtained from legal services.

47. It is important that members manage the information that they store to ensure its availability, confidentiality and integrity. Therefore members should regularly review all council information (including files and email messages) they hold and delete all redundant or irrelevant data.

48. Where a telephone number has been issued to a member or group of members it is expected that this number will be publicised except on political publicity material.

Item No: 6.4	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Treasury Management Performance - 2008-09 Annual Report and Prudential Indicators for Capital Finance and Treasury Management	
Wards or Groups affected:		All	
From:		Finance Director	

RECOMMENDATION

1. That Council Assembly notes this outturn report on borrowing, investments, capital finance and prudential indicators for 2008/09.

BACKGROUND INFORMATION

2. The Council borrows money to fund capital spend that is not otherwise met from capital receipts, grants or revenue and re-finances debt as it matures. Any cash that is not consumed in spending is placed on deposits or held in bonds to earn interest. This activity is supported by a series of prudential indicators (estimates and limits on capital finance borrowing and investments), and an investment strategy agreed by Council Assembly. The indicators and activities are backed up by the Local Government Act 2003 and codes of practice issued by the Chartered Institute of Public Finance and Accountancy.
3. Under financial delegation the Finance Director is responsible for executing all policy, executive and managerial decisions on borrowings and investments within prudential indicators and strategy agreed by Council Assembly. The 2008/09 indicators and strategy were agreed in February 2008 and updated in February 2009 and this report sets out the activity carried out in 2008/09 and the economic background that affected it.

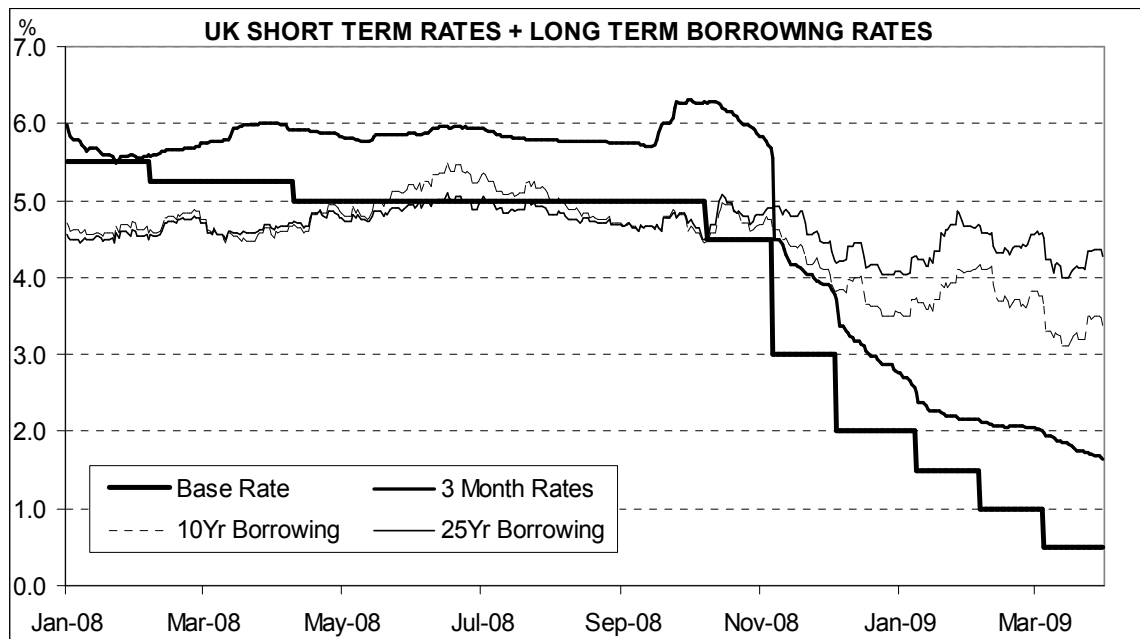
KEY ISSUES FOR CONSIDERATION

Background - Developments in Financial Markets

4. Treasury management was carried out against a background of unusually high instability in the financial markets. What started in the summer of 2007 as losses from rising rates of mortgage delinquencies (particularly US sub-prime mortgages and related products), turned a year later, in September 2008, into a general loss of confidence in the global banking system after the failure of the US Government to secure Lehman Brothers (the large US based investment bank). Central banks responded to the first signs of the crisis in 2007 by supplying extensive liquidity to banks, and supporting institutions on a case by case basis. This seemed to calm the markets, which right up to summer 2008 were focused on risks to inflation from rising oil and food prices and resilient emerging market demand.
5. But when in September 2008, the US government rescued its large mortgage finance companies (Fannie Mae and Freddie Mac), but then failed to stop Lehman Brothers filing for bankruptcy, investors picked up this inconsistency, panicked, deserted the capital markets and headed for the relative safety of government bonds. Governments across the world then stepped in by supplying unprecedented sums in liquidity to all banks, helping major banks re-capitalise, deal with problem loans and provide deposit guarantees, but

many smaller banks, notably in the US, filed for bankruptcy, and three Icelandic banks, in which more than 100 UK local authorities had deposits, went into administration - Southwark was not one of those.

6. The loss of confidence in the financial markets was also threatening a tight squeeze on credit to household and businesses. As oil and commodity prices fell, inflation expectations turned downwards and opened the way for globally coordinated interest rates cuts in October 2008. In the UK, the base rate fell from 5.00% in September 2008 to just 0.50% by March 2009. Euro rates came down to 1.00% by May 2009 and the main US bank rate was brought down to between zero and 0.25% by December 2008. The long term borrowing rates also fell as investors preferred government debt over commercial debt; refer chart below for UK short and long term interest rates.



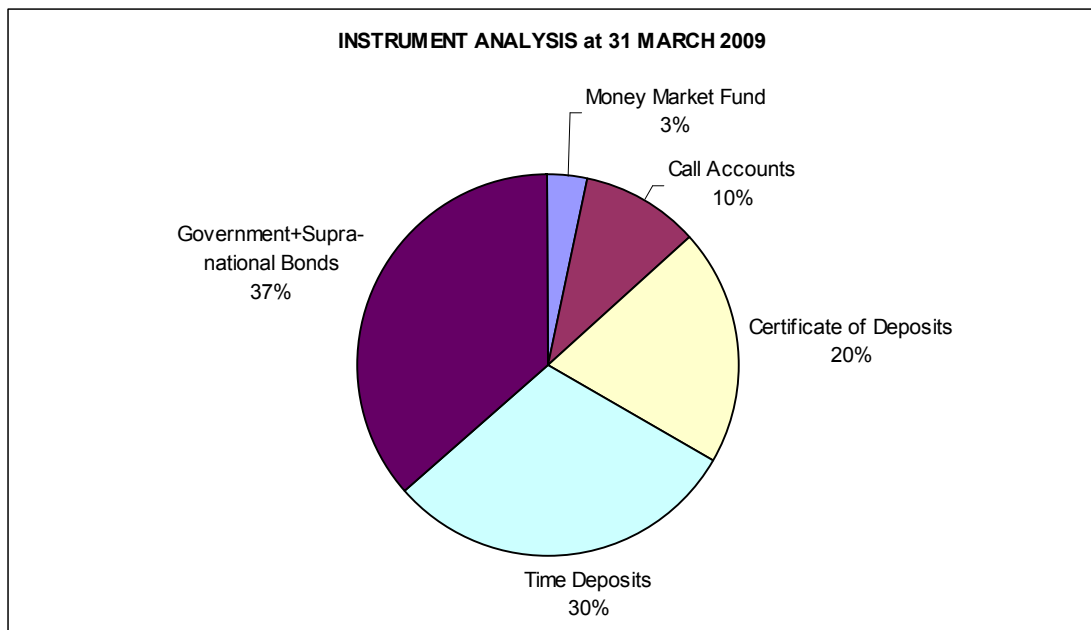
7. Governments also brought in fiscal stimulus packages to help reduce the effects of tighter credit as well as measures to support credit markets and relieve banks of impaired assets. These measures should boost confidence in the financial system, but they will take time to work though the economy. Until then, the squeeze on credit and loss in wealth thus far is expected to lead to a marked downturn in economic activity in the UK, US and the Euro zone, and a slowdown in growth elsewhere.

Investment Management

8. The basic approach to lending in the financial crisis was to bias lending in favour of major banks in major economies where the likelihood of support, in the event it were needed, was high. Holding of UK Government and Supranational bonds was also increased. This helped the Council avoid credit losses which many other councils suffered and helped slow down the adverse effects of falling interest rates. The approach is consistent with the Government's own investment guidelines on local authority investments and is recognised in the Council's Annual Investment Strategy approved each year.
9. Cash balances averaged £292m over the course of 2008/09 (£298m in 2007/08). Day to day investment management is carried out by an in-house operation and three investment management firms: Invesco Asset

Management Ltd, AllianceBernstein Ltd and Credit Suisse Asset Management Ltd.

10. External managers provide access to liquid instruments and maturities beyond one year and expertise to help the Council enhance long term returns, with capital preservation, liquidity, low market risk and prudence as priorities, all within an agreed investment strategy. In-house funds focus on meeting day to day cash volatility using a number of call accounts, money market funds and short term deposits.
11. The actual sum held in instruments at 31 March 2009 stood at £253m (£274m March 2008) and was spread across instruments, counterparties and rating detailed in the chart and tables below.



INVESTMENT MATURITY PROFILE AND RATING				
Year Maturing	Fitch Long Term Rating at 31 March 2009			
	AAA	AA+ to AA-	A+	Total
5-10 Years	5%			5%
2-5 Years	9%			9%
1-2 Years	11%			11%
Less than 1 Year	15%	54%	6%	75%
Total	40%	54%	6%	100%

INVESTMENT POSITION AND RATING at 31 MAR 2009						
COUNTRY/ COUNTERPARTY	FITCH RATING	ALLIANCE BERNSTEIN	CREDIT SUISSE	INVESCO	IN-HOUSE	TOTAL
AUSTRALIA	AAA					
WESTPAC BK CORP	AA-			5.5		5.5
FINLAND	AAA					
NORDEA BANK FINLAND	AA-		4.0			4.0
FRANCE	AAA					
SOCIETE GENERALE	AA-	0.5		5.0		5.5
CREDIT AGRIC IND	AA-			5.2		5.2
GERMANY	AAA					
DZ BANK AG	A+		3.5			3.5
IRELAND	AAA					
GLOBAL TREAS FNDS (Money Mkt Fund)	AAA				8.7	8.7
ITALY	AA-					
INTESA SANPAOLO SPA	AA-		5.0			5.0
UNICREDITO ITALIANO	A+		3.5			3.5
NETHERLANDS	AAA					
ING	AA-	0.5		5.0		5.5
RABOBANK	AA+	0.5		5.5		6.0
NORWAY	AAA					
DNB NOR BANK	A+	0.5				0.5
SWITZERLAND	AAA					
CREDIT SUISSE	AA-	0.6		5.3		5.9
UBS	A+		8.0			8.0
UK	AAA					
BARCLAYS	AA-		7.0	5.3	15.8	28.1
HSBC	AA	0.1				0.1
LLOYDS TSB	AA-	0.5	3.6		15.3	19.4
NATIONWIDE	AA-	0.3			5.1	5.4
NATWEST	AA-				40.6	40.6
LCR FINANCE UK GUARNTD	AAA	5.5				5.5
EXPORT FIN CORP UK GUARNTD	AAA	4.5				4.5
UK HM TREASURY	AAA	30.7	13.7	18.5		62.9
SUPRANATIONAL	AAA					
EUROPEAN INVESTMENT BK	AAA	5.1	7.8			12.9
INTER BK RECON+DEVT	AAA	6.7				6.7
TOTAL		56.0	56.1	55.3	85.5	252.9

In the table, the counterparty rating refers to long term rating issued by Fitch, a rating agency, and in the case of the Money Market Fund, the Fund's rating. Bonds guaranteed by the UK Government are treated as having the same rating as bonds issued by the Government itself.

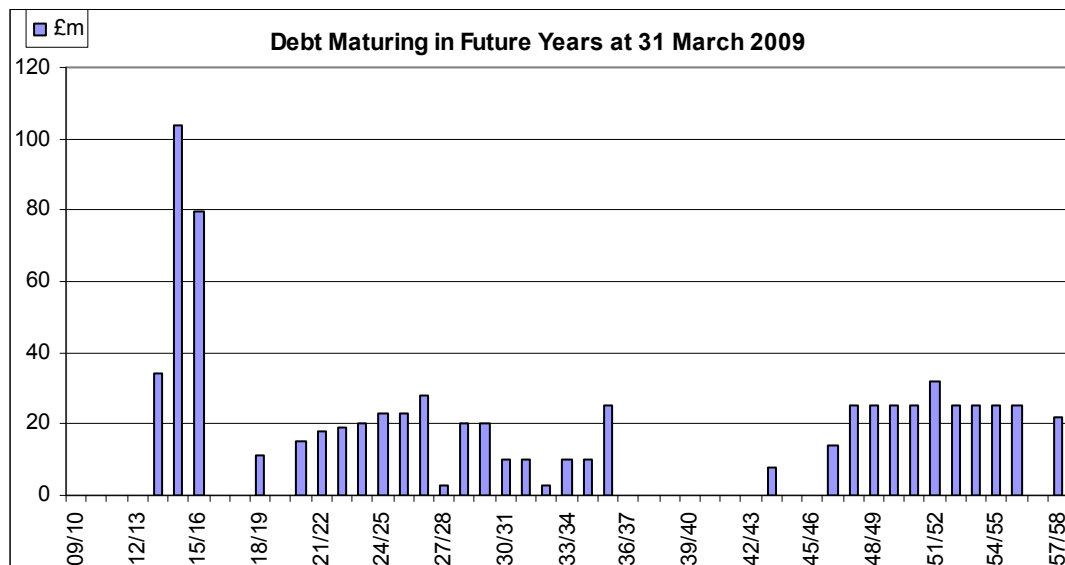
12. The average return for 2008/09 was 5.5% against average base rates of 3.6%. The return reflects past activity and as investments mature, and are reinvested, future returns will be considerably weaker, reflecting the steep fall in base rates. Prudential Indicators in relation to investment management are set out in Appendix A.

Debt Management and Capital Finance

13. Borrowing is undertaken to meet that element of capital spend that is not met from locally available resources (receipts from asset sales, grants and revenue funding). Borrowing for capital takes two forms: supported borrowing (which is associated with support for interest and sums set aside to repay debt) or self-financed prudential borrowing (the cost of which attracts no revenue support from the Government). The principal source of borrowing for

local authorities is the Public Works Loans Board (PWLB, a division of HM Treasury).

14. In December 2008, £32m in new loans were taken up to meet supported capital spend. The loans were for a term of 43 years at a rate of 3.99%, near historical lows for long loans and below the 7.6% average rate on debt interest in 2007/08. As well as providing funding certainty, the loans help reduce the risk of rate rises in the long term.
15. The average rate of interest on long term debt was 7.0% in 2008/09 and remains high relative to current rates and that of many other local authorities. The average reflects a long period between the 1970's and early 1990's, unlike now, when high capital spending and re-financing of debt originally taken on in the 1960's to fund council house building coincided with years of high inflation and high interest rates. However, as around 83% of the debt is attributable to the HRA and reimbursed in subsidy pound-for-pound, and an allowance for the remainder is included in Formula Grant, the impact on Council finances of the high average rate is limited.
16. The level of debt as at 31 March 2009 stands at £762m, an increase of £32m since April 2008. All loans are at fixed rates, from the PWLB and the average life of loans is 23 years. The amount falling out for refinance in futures years is shown in the chart below – the Council has no loans maturing before 2014.



Prudential Indicators

17. Prudential indicators draw out elements of borrowing and investment activities and combine them with capital finance. The indicators include the authorised borrowing limit, which is a self imposed cap on borrowing outstanding on any one day. The Council was within the limit throughout 2008/09. The detailed indicators are set out In Appendix A.

SUPPLEMENTAL ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance

18. The Local Government Act 2003 and supporting regulations require local authorities to determine annual borrowing limits and have regard to the

Prudential Code for Capital Finance, and the Code of Practice on Treasury Management, both published by the Chartered Institute of Public Finance and Accountancy, when considering borrowing and investment strategies, determining or changing borrowing limits or prudential indicators.

19. Reference should also be made to the Department of Communities and Local Government (DCLG, previously the ODPM) Guidance on Local Authority Investments issued in 2004.
20. The Council Assembly is responsible for determining or changing borrowing limits and indicators. However, no changes are being proposed in this report.

BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Prudential Code for Capital Finance in Local Authorities.	Financial Management Services, Strategic Services Department	Dennis Callaghan, Chief Accountant (020 7525 4375)
Code of Practice on Treasury Management in the Public Services		
ODPM - Guidance on Local Authority Investments issued in 2004		

APPENDICES

No.	Title
Appendix A	Prudential Indicators - 2008/09 Outturn

AUDIT TRAIL

Lead Officer	Duncan Whitfield, Finance Director	
Report Author	Dennis Callaghan, Chief Accountant	
Version	Final	
Version Date	26 June 2009	
Key Decision	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments Included
Strategic Director of Communities, Law & Governance	Yes	Yes
Final Report Sent to Constitutional Support Services	26 June 2009	

PRUDENTIAL INDICATORS

1. Capital finance, borrowing and investment arrangements are brought together in a series of prudential indicators and limits to give a general picture of the affordability, prudence and sustainability of financing activities. There are 10 indicators and limits, grouped into three broad areas: affordability, prudence and treasury management.
2. This appendix provides an explanation of each indicator and the outturn for 2008/09 drawn from the Council's statement of accounts. The projections were last updated in February 2009.

CRITERIA ONE: AFFORDABILITY AND PRUDENTIAL INDICATORS ON AFFORDABILITY
INDICATOR ONE:**ESTIMATES OF RATIO OF FINANCING COSTS TO NET REVENUE STREAM**

This ratio reflects financing costs arising from capital expenditure funded from borrowing and income from cash balances. The GF ratio continues to reflect firm cash balances and investment returns. However, this benefit is expected to erode over time as the flow of receipts slows, spend picks up and interest rates remain low. The different pattern of the HRA and GF ratios reflects the different way the two services are organised under law.

Financing Ratios	2007/08 Actual	2008/09 Previous Projection	2008/09 Outturn
HRA	33.0%	32.0%	32.0%
GF	-1.3%	0.3%	-0.7%

INDICATOR TWO:**ESTIMATES OF THE INCREMENTAL IMPACT OF CAPITAL INVESTMENT ON COUNCIL TAX AND HOUSING RENTS**

Additional budgetary requirement for the capital programme may arise from self-financed borrowing, which unlike supported borrowing is entirely funded from the Council's revenue budget. No self-financed borrowing was carried out in 2008/09 and there was no additional impact on council tax or rent.

CRITERIA TWO: PRUDENCE AND PRUDENTIAL INDICATORS FOR PRUDENCE
INDICATOR THREE:**ESTIMATES OF CAPITAL EXPENDITURE**

The actual capital expenditure for 2008/09 was £186m, below previous projection. The HRA experienced a marked pick up in spending, while GF spend slipped. The slippage will now be reflected as spending in 2009/10.

Capital Expenditure	2007/08 Actual £m	2008/09 Previous Projection	2008/09 Outturn
HRA	76	100	116
GF	64	115	70
Total	140	215	186

INDICATOR FOUR:**ACTUAL AND ESTIMATES OF CAPITAL FINANCING REQUIREMENTS.**

Both the HRA and the GF capital financing requirements (CFR) reflect the use of borrowing to pay for past and current capital expenditure after allowing for sums set aside from revenue to repay debt. The actual CFR for 2008/09 is set out below.

CFR	2007/08 Actual £m	2008/09 Previous Projection £m	2008/09 Outturn £m
HRA	614	626	626
General Fund	129	131	131
Total	743	757	757

INDICATOR FIVE:**ACTUAL DEBT- THE AUTHORISED AND OPERATIONAL LIMITS**

There are two limits on debt and long term liabilities outstanding on any one day. The lower limit is the operational boundary and takes account of ordinary activity. The authorised limit is the higher limit to accommodate unexpected borrowing that may be needed for very short periods. The total authorised limit is the limit councils have to determine under the Local Government Act 2003. The maximum actual debt in 2008/09 was £762m and within both limits. There were no long term liabilities.

Operational Boundary and Authorised Limits for External debt -	2007/08 Actual Max £m	2008/09 Boundary/ Limit £m	2008/09 Outturn £m
Operational Boundary for Debt			
Borrowing	730	815	762
Other long term liabilities	0	16	0
Total Operational	730	831	762
Authorised Limit for Debt -			
Borrowing	730	850	762
Other long term liabilities	0	17	0
Total Authorised	730	867	762

CRITERIA THREE: TREASURY MANAGEMENT
--

INDICATOR SIX:**ADOPTION OF THE CIPFA CODE OF PRACTICE ON TREASURY MANAGEMENT IN THE PUBLIC SERVICES**

This indicator confirms that the Council has adopted the Code of Practice for Treasury Management in the Public Sector issued by CIPFA.

INDICATOR SEVEN: INTEREST RATE EXPOSURES – FIXED**INDICATOR EIGHT: INTEREST RATE EXPOSURES - VARIABLE****INDICATOR NINE: MATURITIES**

Council debt currently consists entirely of fixed rate loans, with very little falling for repayment over the next few years. Exposure across the three limits (fixed, variable and upper + lower maturity limits) reflected historical debt and was in line with expectations.

LIMITS ON FIXED AND VARIABLE RATES	2007/08 Maximum Actual £m	2008/09 Previous Limit £m	2008/09 Outturn £m
Upper limit for fixed interest rate exposure	730	850	762
Upper limit for variable rate exposure	0	215	0

Maturity structure of fixed rate borrowing	2007/08 Actual	2008/09 Upper Limit	2008/09 Lower Limit	2008//09 Outturn
Under 12 months	0%	25%	0%	0%
12 months and within 24 months	0%	30%	0%	0%
24 months and within 5 years	0%	60%	0%	0%
5 years and within 10 years	30%	80%	0%	29%
10 years and above	70%	100%	0%	71%

INDICATOR TEN:**TOTAL PRINCIPAL SUMS INVESTED FOR PERIODS LONGER THAN 364 DAYS.**

Exposure to investments beyond one year helps raise returns particularly when rates are falling. The actual exposure in 2008/09 reflected lengthened exposure to Government and Supranational bonds.

Upper limit on investments greater than 1 yr	2007/08	2008/09	2008/09
Upper limit / Actual	<p>Actual max exposure 16% of investments greater than 1 year</p> <p>Overall maximum average maturity 8 months</p> <p>Longest investment 8 years</p>	<p>Up to 50% of investments. Greater than 1 year</p> <p>Overall average maturity 3 years, but any one investment may be longer as referred to in the Annual Investment Strategy</p>	<p>Outturn 25% of investments greater than 1 year</p> <p>Overall maximum average maturity 1.1 years</p> <p>Longest investment 10 yrs</p>

Item No. 6.5	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Annual report on work and performance of the Audit & Governance Committee in 2008-09	
Ward(s) or groups affected:		All	
From:		Audit and Governance Committee	

RECOMMENDATION

1. That council assembly notes the work and performance of the audit and governance committee in 2008-09.

BACKGROUND INFORMATION

2. The purpose of this report is to review the audit and governance committee's work and performance in 2008-09. The audit and governance committee on June 25 2009 considered the annual report and agreed to refer it to council assembly.
3. The audit and governance committee's terms of reference include a requirement to report annually to council assembly on its work and performance during the year.
4. The aims of the report are to make council aware of the audit and governance committee's work in relation to its audit, regulatory and financial reporting responsibilities and to provide assurance on areas covered or to identify any concerns.
5. This report also considers the effectiveness of the audit and governance committee which forms a part of the review of the system of internal audit required under the Accounts and Audit Regulations and which will in turn be reported as part of the review of the system of internal control.

KEY ISSUES FOR CONSIDERATION

Role of the committee

6. The purpose of the audit and governance committee is to provide:
 - Independent assurance of the adequacy of the council's governance arrangements, including the risk management framework and the associated control environment
 - Independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment
 - Oversight of the financial reporting process.

7. In line with the above, the committee's terms of reference are structured by reference to its three key functions in terms of audit activity, the regulatory framework and the accounts.

Work programme since March 2008

8. The following paragraphs summarise the matters considered by the committee at its meetings since March 2008.

Meeting on 27 March 2008

9. As well as considering its first annual report on work and performance, which members agreed to forward to council assembly, the committee received the annual audit and inspection letter from the Audit Commission, a follow up audit report on internal audit recommendations, and the draft internal audit, fraud and risk management strategy for 2008/09 to 2010/11. Members asked a number of questions of officers on these reports and requested a further report on two internal audit recommendations on which they had concerns about the lack of management action. A report on a proposed code of corporate governance was considered by the committee and, after asking a number of questions, members agreed that the code should be formally adopted. The committee also received an update on the process of managing the council's key corporate risks.

Meeting on 26 June 2008

10. The committee considered a report on the statement of accounts and annual governance statement for 2007/08. The committee was advised of changes to the reporting of accounts needed to ensure compliance with International Financial Reporting Standards. Members asked a number of questions of officers. They also requested that officers make several changes to the annual governance statement before they approved both statements.
11. The committee also received the Audit Commission's 2008/09 audit and inspection plan and requested that an informal audit briefing with the Audit Commission be organised for August. Members also considered the annual audit, fraud and risk report 2007/08. Following a number of questions, members requested future reports on the housing rents and repairs data review and on key themes and an action plan. The committee also received a report on the review of the effectiveness of the system of internal audit and the update on two internal audit recommendations as requested at their March meeting.

Meeting on 25 September 2008

12. At its September meeting, members received a report on the implementation of critical and high audit recommendations which included an action plan and approach to follow up of themes and members resolved that in future they should receive an update on all internal audit recommendations, including those classified as medium or low. The committee also received a presentation on the role of the committee in relation to risk management and agreed that it should receive an annual review of the top risks at its December meeting.
13. The committee also reviewed its work programme for the year and agreed to amend it to include a new standing item on retrospective contract decisions. It also reiterated its wish to see a report on housing rent and repairs and requested that an action list from the previous meeting be brought to each committee

meeting.

14. The committee had been due to receive the Audit Commission's report to those charged with governance on issues arising from the audit of the accounts at this meeting. However, the audit of the accounts was not complete and although an interim report had been produced, the committee was advised that in the light of purdah guidance (in relation to a forthcoming by-election), consideration should be deferred to a future meeting.

Meeting on 18 November 2008

15. This meeting was held in order to consider the interim annual governance report 2007/08 (see paragraph 14 above). The committee asked a number of questions of officers and of the district auditor and agreed to note the report and to add the accounts to the agenda of the December meeting.

Meeting on 3 December 2008

16. As agreed at its November meeting, the committee received the annual governance report for 2007/08. This and the revised statement of accounts were noted and amendments to the accounts were agreed.
17. The committee considered the internal audit update, which included details on the rents and repairs data review as previously requested. In response to feedback on the format of the report provided by members, officers agreed to try and integrate risk more fully within the audit plan and to provide greater clarity in relation to timescales. Further to members' request at their September meeting, they also received an update to the risk register and agreed to revisit it in February 2009.
18. A report on retrospective contract decisions was considered by the committee and suggestions were made as to information which could usefully be included in future reports. Members also requested a further report on the background to the de Menezes decision.

Meeting on 11 February 2009

19. The committee received a report on the progress of the implementation of all audit recommendations. Following the request made at the December meeting, each project was given an individual risk assessment. Members confirmed that if the committee is not satisfied at its April meeting with information received from departmental officers, they would consider summoning the responsible officers to the June meeting.
20. The Audit Commission presented its 2008/09 audit progress report. Several questions were raised and further to these, the finance director confirmed that the new processes put in place should ensure that the 2008/09 audit does not have the same issues. The committee also received a report on the proposed action plan in response to the 2007/08 annual governance and officers undertook to meet with the chair in mid-audit to brief him on the process and to provide a progress report to the next meeting of the committee.
21. Members considered a report on retrospective contract decisions and made suggestions to improve monitoring and clarification of responsibility. The committee also received a follow-up report on the de Menezes coroner's inquest

as requested at its December meeting, a verbal update on proposed amendments to contract standing orders and a report on the corporate risk register.

Meeting on 2 April 2009

22. The committee considered a draft work programme for 2009/10 and agreed that the changes set out in the programme (including the deferral of this annual report from the March meeting to the June one) be approved.
23. The committee received a report on the progress of the implementation of all audit recommendations which included coverage of areas as requested at its February meeting. Suggestions for improvement to the format of future reports to the committee and a number of specific requests for further information relating to items in this particular report were made. Members also requested that in future they should be made aware of reports where management responses were not agreed within the agreed timescale of three weeks.
24. The committee received the draft 2009/10 to 2011/12 internal audit, fraud and risk plan and internal audit strategy and, after clarifying several points, noted the report.
25. The Audit Commission presented a report on its annual audit and inspection letter 2007/08 and use of resources judgement for 2007/08. After raising a number of questions, the committee noted the reports.
26. Further to the request made at its February meeting, members received a report on progress on the preparation for closing the 2008/09 accounts and audit. A report was also presented to the committee on compliance with international auditing standards. The committee noted the assurance provided to the audit Commission by the chair of the committee on the overview of management process for identifying and reporting the risk of fraud and possible breaches of internal control and on compliance with relevant laws and regulation.
27. The committee also received a verbal update on the de Menezes report which informed members that funding for the inquest had been confirmed by central government.

Effectiveness of the audit and governance committee

28. The review of the system of internal audit, as required by the Accounts and Audit Regulations, includes consideration of the effectiveness of this committee. The peer review carried out last year by Lambeth Council, the results of which were reported to this committee in June 2008, concluded that no significant issues had been identified and that the committee had provided support to the work of the [audit] team.
29. This year, the review is again being carried out in line with an agreed terms of reference and is based on compliance with CIPFA's Code of Practice for Internal Audit in Local Government. A separate report on this committee's agenda sets out the findings of the review. However, as part of the review, it is proposed that this committee assesses itself using a checklist, also produced by CIPFA. A draft completed checklist has therefore been prepared (and included within the overall review) and this is attached at appendix A.

30. The completed checklist confirms that there are no significant areas of concern in relation to the committee's effectiveness. However, it highlights some areas which members may wish to consider for improvement:
 - a. use of feedback from managers in response to internal audit work undertaken
 - b. training needs assessment of members.
31. It is suggested that more use is made of feedback from service managers as a way of helping to improve the service provided. As part of this, the committee may wish to consider whether summaries of information, including relevant key performance indicators, about quality and performance of the service provided should be reviewed by the committee. Members should be aware that the internal audit contract is being re-let and it is expected that a new contract will be in place from December
32. As members for the year 2009-10 have now been confirmed, it is suggested that a training needs assessment be undertaken in order to establish if there are any gaps in skills or experiences and to set out a plan for dealing with these.

Training

33. Training has been provided at meetings based on the agenda for the meeting. In addition to the briefing sessions referred to in the above paragraphs, a training session for members of the committee and for the executive member for resources was held in June 2008 on the statement of accounts and the annual governance statement. This was delivered by CIPFA's Better Governance Forum and provided members with an overview of the statements, an understanding of their role in examining and approving them and an appreciation of the items to be considered.
34. A one day conference entitled 'CAA – Are audit committees up to the challenge?' was organised by Croydon Council in November 2008 and was attended by the vice chair. Key aspects of the role of audit committees in the light of Comprehensive Area Assessment, including audit, risk management, fraud and partnership governance, were covered by speakers from the Audit Commission, Deloitte and Touche and the National Fraud Strategic Authority.
35. As the role of the committee continues to be developed, other areas may become relevant and future training needs will continue to be reviewed. Officers would be happy to arrange training as needs are identified.

Conclusion

36. The committee's work programme aims to ensure that the committee is able to carry out its functions effectively. To this end, the programme is structured so as to cover the three key areas of audit activity, the regulatory framework and financial reporting.
37. During the committee's second year of operation, it continued to ask questions on matters before it in a challenging yet constructive way. In some cases, this has resulted in improvements to statements to be approved (e.g. the annual governance statement); in others, it has resulted in more detailed and meaningful reports being prepared for the committee (e.g. the internal audit monitoring report).

38. The committee has kept its work programme under review and made changes when appropriate. An example of this was the inclusion of reports on retrospective contract decisions.
39. The committee has sought to exercise its influence to try and ensure that the difficulties experienced last year with the audit of the accounts are not repeated. This has been very helpful to officers, although care will be needed to maintain a balance between oversight and management of key processes.
40. Through its work, the committee is able to confirm that
- the council's system of risk management is adequate to identify risk and to allow the authority to understand the appropriate management of those risks
 - there are no areas of significant duplication or omission in the systems of governance in the authority that have come to the committee's attention and not been adequately resolved.
41. As noted above, the work programme for the committee for 2009/10 was agreed at its April meeting, but this will be reviewed and amended if necessary to help to ensure that the committee can continue to provide assurance of the adequacy of the council's governance arrangements.

Policy implications

42. At its meeting on 20 May 2009, council assembly considered amendments to the constitution. In relation to this committee, the changes agreed were to update terminology by replacing 'statement on internal control' with 'annual governance statement' and to clarify this committee's role in relation to the approval of the statement of accounts. There are no policy implications in the proposals in this report.

Community impact statement

43. This report is not considered to contain any proposals which would have a significant impact on any particular community or group.

Resource implications

44. There are no direct resource implications in this report.

Consultation

45. There has been no consultation on this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Finance Director

46. During the audit and governance committee's second year of operation, it has become increasingly embedded. The challenge going forward, given the scale of activities and the enthusiasm of members to play an active part, will be management of the committee's agenda, to ensure that it can devote its resources in appropriate areas.
47. The year saw the following achievements:

- a. ongoing development of audit monitoring reports
- b. progress in risk management reporting
- c. increased awareness of technical accountancy issues through briefings at committee meetings
- d. strengthening of the external audit relationship with the chair and committee members and careful management of this through a challenging period
- e. constructive suggestions for improvements following reports on retrospective contract decisions.

48. For this coming year, the following are areas where the committee has the opportunity to effect further improvement:

- a. greater integration of the audit, anti-fraud and risk management functions
- b. increased effectiveness through training
- c. further development of the relationship with external audit
- d. planning and monitoring of the implementation of International Financial Reporting Standards (IFRS).

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Financial Governance files	Financial Management Services Town Hall, Room 4.14	Jo Anson 020 7525 4308

APPENDICES

No.	Title
A	Measuring the Effectiveness of the Audit Committee – Self-assessment Checklist

AUDIT TRAIL

Lead Officer	Duncan Whitfield, Finance Director	
Report Author	Jo Anson, Head of Financial Governance	
Version	Final	
Dated	26 June 2009	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	No	No
Finance Director	Yes	Yes
Executive Member	No	No
Date final report sent to Constitutional/Community Council/Scrutiny Team	26 June 2009	

Appendix A

Measuring the Effectiveness of the Audit and Governance Committee - Self-assessment Checklist					
Issue	Yes	No	In Part	N/A	Comment
Terms of Reference					
Have the committee's terms of reference been approved by full council?	Y				
Do the terms of reference follow the CIPFA model?	Y				
Audit and Regulatory Activity					
Does the committee approve the strategic audit approach and the annual programme?	Y				
Is the work of internal audit reviewed regularly?	Y				The information provided has been reviewed by the committee throughout 2008/09 and amendments requested to provide a more complete picture
Are summaries of quality questionnaires from managers reviewed?			Y		Customer questionnaires are sent to audit owners and comments received are followed up with the internal audit contractor; these have been supplemented by meetings with senior finance managers at which quality issues have been discussed. At present, the committee does not receive reports on this
Is the annual report, from the head of audit, presented to the committee?	Y				

Measuring the Effectiveness of the Audit and Governance Committee - Self-assessment Checklist					
Issue	Yes	No	In Part	N/A	Comment
Are reports on the work of external audit and other inspection agencies presented to the committee?			Y		Where reports are presented to other committees, they are not necessarily reported to this committee - e.g. the Joint Area Review (JAR) and Annual Performance Assessment (APA) inspection reports were reported to executive
Does the committee input into the external audit programme?	Y				
Does the committee ensure that officers are acting on and monitoring action taken to implement recommendations?	Y				The committee has stressed its willingness to question officers who have not taken action in line with agreed timescales and officers have been made aware of this
Does the committee take a role in overseeing: - risk management strategies - internal control statements - anti-fraud arrangements - whistle-blowing strategies?	Y				
Membership					
Has the membership of the committee been formally agreed and a quorum set?	Y				
Is the chair free of executive or scrutiny functions?	Y				
Are members sufficiently independent of the other key committees of the council?	Y				
Have all members' skills and experiences been assessed and training given for identified gaps?			Y		Training has been provided to all in key areas during the year and training needs are kept under review
Can the committee access other committees as necessary?	Y				
Meetings					
Does the committee meet regularly?	Y				

Measuring the Effectiveness of the Audit and Governance Committee - Self-assessment Checklist					
Issue	Yes	No	In Part	N/A	Comment
Are separate, private meetings held with the external auditor and the internal auditor?				N/A	Not required to date
Are meetings free and open without political influences being displayed?	Y				
Are decisions reached promptly?	Y				
Are agenda papers circulated in advance of meetings to allow adequate preparation by members?	Y				
Does the committee have the benefit of attendance of appropriate officers at its meetings?	Y				
Training					
Is induction training provided to members?	Y				
Is more advanced training available as required?	Y				
Administration					
Does the authority's s151 officer or deputy attend all meetings?	Y				
Are the key officers available to support the committee?	Y				

Item No. 7.	Classification: Open	Date: July 8 2009	Meeting Name: Council Assembly
Report title:		Motions	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

BACKGROUND INFORMATION

In accordance with council assembly procedure rule 1.12 (9), the member moving the motion may make a speech directed to the matter under discussion. (This may not exceed five minutes without the consent of the Mayor).

The seconder will then be asked by the Mayor to second the motion. (This may not exceed three minutes without the consent of the Mayor).

The meeting will then open up to debate on the issue and any amendments on the motion will be dealt with.

At the end of the debate the mover of the motion may exercise a right of reply. If an amendment is carried, the mover of the amendment shall hold the right of reply to any subsequent amendments and, if no further amendments are carried, at the conclusion of the debate on the substantive motion.

The Mayor will then ask members to vote on the motion (and any amendments).

IMPLICATIONS OF THE CONSTITUTION

The constitution allocates responsibility for particular functions to council assembly, including approving the budget and policy framework, and allocates to the executive responsibility for developing and implementing the budget and policy framework and overseeing the running of council services on a day-to-day basis. Therefore any matters that are reserved to the executive (i.e. housing, social services, regeneration, environment, education etc) cannot be decided upon by council assembly without prior reference to the executive. While it would be in order for council assembly to discuss an issue, consideration of any of the following should be referred to the executive:

- To change or develop a new or existing policy
- To instruct officers to implement new procedures
- To allocate resources.

(Note: In accordance with council assembly procedure rule 2.9 (7) & (8) (prioritisation and rotation by the political groups) the order in which motions appear in the agenda may not necessarily be the order in which they are considered at the meeting).

1. MOTION FROM COUNCILLOR CHRIS PAGE (seconded by Councillor Peter John)

Please note that, in accordance with council assembly procedure rule 2.9 (6), council assembly shall consider this motion.

Regeneration of the Elephant & Castle

1. Council assembly notes that residents in Southwark have waited too long for the regeneration of the Elephant & Castle and that the executive's failure to move forward with this much needed regeneration is indefensible.
2. Council assembly believes that the regeneration of the Elephant & Castle has to put the needs of residents first, and ensure local residents who want to can move back to the area.
3. Council assembly calls on the executive to ensure that any development includes a high proportion of affordable homes and does not sacrifice the needs of residents simply because of the current property market.

Note: If the motion is agreed, any proposals will be submitted to the executive for consideration.

2. MOTION FROM COUNCILLOR TOBY ECKERSLEY (seconded by Councillor James Barber)

Please note that, in accordance with council assembly procedure rule 2.9 (6), council assembly shall consider this motion.

Primary School Places in Dulwich

1. Council assembly notes:
 - i) That Village Ward councillors had identified the need for increased primary school provision in North Dulwich, previously recognised in the corporate plan.
 - ii) The recent complaints amongst parents in Dulwich about the perceived lack of places available for children, and about how their cases were handled by education service.
2. Council assembly requests:
 - i) The executive to request a report from education officers which clarifies the number of children in Dulwich who have not received a primary school place offer within one mile of their residence, maps their location, and considers whether pressure on primary school places will increase in the Dulwich area over the next five years.
 - ii) To identify best practice in communication with parents and providing advice at what is a difficult time for many parents who do not receive an offer for which they have indicated a preference.
 - iii) If continued pressure on primary school places in the Dulwich area, or parts of it, is predicted to present to the executive options that may be available to expand existing provision and costs associated with these options.

Note: If the motion is agreed, any proposals will be submitted to the executive for consideration.

3. MOTION FROM COUNCILLOR CAROLINE PIDGEON (seconded by Councillor Paul Kyriacou)

Please note that, in accordance with council assembly procedure rule 2.9 (6), council assembly shall consider this motion.

One hour bus ticket proposal

1. This council believes in affordable public transport and in the need to ensure that passengers who use "Pay As You Go" Oystercards have a fair deal.
2. Council notes that in other European capital cities bus passengers have the benefit of a time-limited bus ticket which enables them to use two or three buses within a set time without having to pay again.
3. Council notes that almost a million car journeys every day in London are less than one mile in length, and supports effective ways of encouraging modal shift to public transport.
4. Council views with concern at this time of economic recession that even short journeys in London may involve using two or three buses and can cost up to £3.00 if more than one bus is needed.
5. Council notes that the average bus journey length is 3.54 km (2.2 miles, 9 stops), and that Transport for London estimate that 16% of bus journeys on Oyster 'Pay As You Go' involve using a second bus within 60 minutes of the first.
6. Council commends the proposal for a One Hour Bus Ticket to be available on "Pay As You Go" Oystercard, enabling passengers to use more than one bus during a 60-minute period without paying more than £1.00.
7. Council calls on the leader of the council and the lead executive member for transport to write to the Mayor of London promoting the One Hour Bus Ticket proposal; and to ask the Mayor of London to request that Transport for London investigates the practicalities of implementing such a scheme.

Note: If the motion is agreed, any proposals will be submitted to the executive for consideration.

4. MOTION FROM COUNCILLOR VERONICA WARD (seconded by Councillor Robert Smeath)

Please note that, in accordance with council assembly procedure rule 2.9 (6), council assembly shall consider this motion.

Primary school provision in Dulwich

1. Council assembly notes that a significant number of parents in Dulwich have not received an offer of a primary school place within a reasonable distance from their home.
2. Council assembly notes that the growth in the under-five population in Dulwich has long been recognised and the affect on demand for services should therefore have been anticipated. It notes that the 2007 corporate plan committed to 'scoping of primary school provision in North Dulwich' but that expanding primary school or nursery places has not been followed up in the most recent plan.
3. Council assembly believes that it is not reasonable to expect parents to have to walk 45 minutes or make two bus journeys to take their child to primary school. It believes that the

council's aspiration should be that children live within walking distance of their primary school because it promotes healthy lifestyles and is good for local communities.

4. Council assembly believes that the executive should have projected and planned accordingly for a growth in the primary school population in Dulwich but believes that the whole council should support the leader's approach to the government for help.
5. Council assembly calls on the executive to urgently look at how to find new primary school places for those children in Dulwich who have been offered a primary school for September an unsatisfactory distance from their home. It calls on the executive to consider all options and notes Rosendale primary school in Lambeth's provision of an extra reception class for the current academic year.
6. Council assembly calls on the executive to support any reasonable initiative taken by the parents to resolve the situation.
7. Council assembly calls on the executive to review how the shortage of primary school and nursery places can be avoided for the September 2010 intake and to report back to council assembly in no less than six months.
8. Council assembly calls on the executive to review the current provision of information for parents who are applying for primary school places for their children and identify current shortcomings.

Note: If the motion is agreed, any proposals will be submitted to the executive for consideration.

BACKGROUND PAPERS

Background Papers	Held at	Contact
Member Motions	Town Hall Peckham Road London SE5 8UB	Constitutional Team 020 7525 7228

Lead Officer	Ian Millichap, Constitutional Team Manager
Report Author	Sean Usher/Virginia Wynn-Jones, Constitutional officers
Version	Final
Dated	June 19 2009

Last Updated:
May 2009

**COUNCIL ASSEMBLY AGENDA DISTRIBUTION LIST (OPEN) (FULL LIST)
MUNICIPAL YEAR 2009-10**

NOTE: Original held by Constitutional Team; all amendments/queries to
Lesley John Tel: 020 7525 7228

ONE COPY TO ALL UNLESS OTHERWISE STATED	Copies	To	Copies
Councillors (All)	1 each	Officers	2
Political Assistants		Ian Millichap	1
Steven Guage Liberal Democrat Political Assistant	1	Sonia Sutton	1
John Bibby, Labour Group Political Assistant	1	Constitutional Team	40
Libraries	6	Trade Unions	9
Albion / Dulwich / Newington / Local Studies Library	1 each	Roy Fielding, GMB	1
Press	2	Euan Cameron, Unison	1
Southwark News	1	Tony O'Brien, UCATT	1
South London Press	1	Michael Davern, NUT	1
Corporate Management Team	6	James Lewis, NASUWT	1
Gill Davies	1	Pat Reeves, ATL	1
Richard Rawes	1	Miss Sylvia Morris, NAHT	1
Romi Bowen	1	Irene Bishop, SHA	1
Duncan Whitfield	1	Mick Young TGWU	1
Stephen McDonald	1	Local M.P.	1
Susannah White	1	Simon Hughes M.P.	
		Others	2
		Shahida Nasim, Audit Commission, Room 32, 2 nd Floor, Central House, Town Hall Complex	1
		Mark Roelofsen	1
		Total:	133