

Date of issue: Friday, 1 March 2019

MEETING	AUDIT AND CORPORATE GOVERNANCE COMMITTEE
DATE AND TIME:	THURSDAY, 7TH MARCH, 2019 AT 6.30 PM
VENUE:	VENUS SUITE 2 - ST MARTINS PLACE, 51 BATH ROAD, SLOUGH, SL1 3UF
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	SHABANA KAUSER 01753 787503

SUPPLEMENTARY PAPERS

The following Papers have been added to the agenda for the above meeting:-

* Items 10, 11, 12, 16 and 17 were not available for publication with the rest of the agenda.

PART 1

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
10.	Recommendations of Member Panel on the Constitution - Review of the Constitution	1 - 14	All
11.	Donations Policy	15 - 22	All
12.	Amey Indexation Update	23 - 26	All
16.	Exclusion of the Press and Public	-	-

It is recommended that the press and public be excluded from the remainder of the meeting as the items to be considered contain exempt information relating to individuals as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972.

PART II

17.	Amey Indexation Update - Appendix	27 - 32	All
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SLOUGH BOROUGH COUNCIL**REPORT TO:** Audit & Corporate Governance Committee**DATE:** 7 March 2019**CONTACT OFFICER:** Sushil Thobhani, Service Lead Governance & Deputy Monitoring Officer**(For all enquiries)** (01753) 875036**WARD(S):** All**PART I**
FOR DECISION**RECOMMENDATIONS OF MEMBER PANEL ON THE CONSTITUTION - REVIEW OF THE CONSTITUTION****1 Purpose of Report**

The purpose of this report is to seek the approval of the Committee to revisions of the Council's Constitution and the agreement of the Committee to place these revisions before the Council for approval.

2 Recommendation(s)/Proposed Action

The Committee is requested to approve the revisions to the Council's Constitution set out in this report and to agree to these revisions being placed before the Council for approval.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. The adoption of the revisions to the Council's Constitution recommended in this report will serve to enhance the delivery of these priorities through good governance procedures.

4 Other Implications**(a) Financial**

There are no direct financial implications arising from this report.

(b) Human Rights Act and Other Legal Implications

There are no Human Rights Acts implications arising from this report. Local Authorities have a statutory duty to prepare, keep up to date and publicise a constitution, whose contents are partly prescribed by statute and partly matters of local content, within a statutory framework.

Equalities Impact Assessment

There is no identified need for an EIA arising from the subject matter of this Report.

5 **Supporting Information**

5.1 Since the last Report to the Committee on 18 July 2018 on revisions to the Constitution, there has been impetus for further miscellaneous revisions. Draft revisions have been considered and approved by the Panel Member on the Constitution at their meetings on 12 September 2018, 14 January 2019 and 26 February 2019.

5.2 The draft revisions considered and approved by the Member Panel were upon the following topics:

5.2.1 Provisions relating to Children's Care Proceedings

5.2.2 Application of the Ethical Framework to Officers who are not employees

5.2.3 Settlement Agreements

5.2.4 Declaration of Members' Interests

5.2.5 Amendments to facilitate a policy on maternity, paternity, and adoption leave for Members

5.2.6 Amendments to the Whistleblowing Code recommended by internal auditors

5.2.7 Policy on acceptance of donations and sponsorships.

5.2.8 Amendment to Terms of Reference – Joint Parenting Panel

5.3 **Provisions relating to Children's Care Proceedings**

5.3.1 As a result of an intervention last year by a Member of the Council on behalf of a constituent in connection with care proceedings being taken by the Council to protect children who the Council have statutory duties to protect, it has come to light that unlike some other Councils Slough Borough Council does not have any provision within its Constitution relating to Members' rights to information in relation to such proceedings.

5.3.2 Part 12 of the Family Procedures 2010 lay down strict rules in respect of information relating to proceedings involving children. Essentially, Information can only be disclosed with the leave of the court. This is not restricted to documents filed with the court but covers any information relating to these proceedings and the children involved. Generally Members cannot see any such information without the leave of the Court, even when he or she is representing a constituent and seeking or receiving such information risks any party disclosing or receiving such information being found to be in contempt of court.

5.3.3 Members of the Committee are, therefore, asked to consider and agree to the insertion of a new paragraph 16(j) in the Local Code Governing Relations Between Elected Members and Council Employees in Part 5.4 of the Constitution in the following revised terms :

“(j) Care Proceedings

Part 12 of The Family Procedure Rules 2010 lay down strict rules in respect of information relating to care proceedings. Information can only be disclosed with the leave of the court or in circumstances permitted by those rules and subject to any directions made by the Court. This is not restricted to documents filed with the court but covers any information relating to these proceedings. Members can, therefore, only see any such information as is permitted by Part 12 of the Family Procedure Rules 2010 where he or she is representing a constituent.”

- 5.3.4 It is considered that the amendment proposed above will provide helpful guidance for Members and Officers in relation to any situations where the Member is seeking to intervene with the Council on behalf of a constituent in relation to care proceedings in which the constituent is involved.

5.4 Application of Ethical Framework to Officers who are not Employees

- 5.4.1 All employees of the Council working under a contract of employment are “Officers” of the Council. It is, however, possible for persons who are not employees of the Council, such as interims and contractors, also to be “Officers” of the Council in certain circumstances when discharging duties on behalf of the Council. This was established in the high Court in the case of Pinfold North Limited -v- Humberside Fire Authority [2010] LGR 995.
- 5.4.2 Paragraph 9 of Article 12 of the Council’s Constitution provides that Officers will comply with the “Officers” Code of Conduct and the Protocol on “Officer”/Member Relations set out in Part 5 of the Constitution. What is meant to be referred to here is the Local Code of Conduct for Employees in Part 5.3 and the Local Code Governing Relations Between Elected Members and Council Employees in Part 5.4 of the Constitution.
- 5.4.3 These Codes, however, impose obligations on “employees” and make no reference to “officers”. It is doubtful, therefore, whether these codes apply to interims and contractors who are not employees but are “officers” of the Council.
- 5.4.4 In order to avoid any doubt that the obligations on council employees under these Codes should also apply to interims and contractors who are officers of the Council it is proposed that paragraph 9 in Article 12 of the Constitution be amended to read as follows:

“9 Conduct

Officers will comply with the Local Code of Conduct for Employees in Part 5.3 and the Local Code Governing Relations Between Elected Members and Council Employees in Part 5.4 of this Constitution.”

5.5 Settlement Agreements

- 5.5.1 At their meeting on 28 September 2017 full Council resolved that all redundancy/ severance packages over and above an individual’s statutory / contractual entitlement will be approved by full Council.

- 5.5.2 This resolution proved difficult to enforce in practice principally because it effectively required every settlement agreement to be approved by full Council regardless of the seniority of the Officer concerned, his or her role and its importance within the Council and the circumstances surrounding the need for the settlement agreement.
- 5.5.3 As most settlement agreements are usually required to be completed in circumstances of urgency it is was not practical to await the next available meeting of full Council to approve settlements and the these therefore needed to be effected by way of decision by the Chief Executive under the urgency provisions in the Council's Scheme of Delegation to Officers which permit the Chief Executive to act in cases of urgency to discharge all Council side functions. It was considered that it was not appropriate for this to become the default process in circumstances where settlement agreements needed to be completed.
- 5.5.4 Council therefore reconsidered the matter at their Extraordinary Meeting on 18 December 2018 where they resolved to rescind their previous resolution and agreed to adopt new procedures whereby payments in connection with termination of employment of officers in excess of £60,000 above statutory or contractual entitlements in any individual case require the approval of full Council and that the amounts of all payments in connection with termination of employment be reported to the Council annually. Council also instructed the Service Lead for Governance to arrange for any necessary changes to the Constitution to give effect to give effect to such new procedures
- 5.5.5 It is considered that the new procedures for settlement agreements resolved upon by Council can be given effect to by way of amendment of Rule 8.27 in the Council's Financial Procedure Rules in Part 4.6 of the Constitution. It is proposed therefore that Rule 8.27 be amended by way of the insertion of the additional wording shown in bold italics to read as follows:
- "8.27 The Directors will refer to the Service Lead People and to the section 151 officer matters relating to the application of salary and wage scales and other conditions of service including any payments in relation to redundancy, early retirement or any other payments associated with an employee's termination of employment, and no commitment in these matters shall be entered into without their joint agreement. ***Any payments in connection with termination of employment in excess of £60,000 above statutory or contractual entitlements in any individual case requires the approval of full Council. The Service Lead People and the section 151 Officer shall report annually to full Council the amounts of all payments in connection with termination of employment.*** The Service lead People and s151 officer shall be jointly empowered to automatically apply non-discretionary salary and wage awards, expenses and other allowances approved by the various joint negotiating councils."

5.6 Declaration of Members' Interests

- 5.6.1 The Monitoring Officer has been re-considering the parts of the Councillors' Code of Code in Part 5.1 of the Constitution dealing with declaration of interests with a view to making this provisions more clearly understandable and easier to operate in practice.
- 5.6.2 It is considered that these provisions are unduly difficult to understand because of multiple use of terms for interests i.e. disclosable pecuniary interests, pecuniary, direct, indirect, personal, prejudicial, sensitive, professional and non-disclosable. It is proposed that Members interests be simplified into two types, namely, "disclosable pecuniary interests" which are required to be declared and failure to disclose which could amount to the commission of a criminal offence, and "personal interest". The draft proposed revisions to the Councillors' Code of Conduct are appended to this Report for consideration by the Panel.
- 5.6.3 It is considered that the adoption of these revised proposals will lead to an easier understanding of the subject of declaration of interests and to a better operation of the system for declaration of Members' interests.

5.7 Amendments to facilitate a policy on maternity, paternity and adoption leave for Members

- 5.7.1 At a forthcoming meeting Cabinet are likely to consider a report which is intended to recommend to full Council a parental leave policy for Councillors. This will entitle Members of the Council to take maternity, paternity, shared parental and adoption leave from their duties as Councillors.
- 5.7.2 It is considered that certain necessary and consequential amendments to the Constitution will be required to facilitate the implementation of such a policy, if it is recommended by Cabinet and accepted by the Council.
- 5.7.3 Section 85 of the Local Government Act provides that if a Member of a local authority fails throughout a period of six months from the date of his or her last attendance to attend any meeting of the authority he or she shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.
- 5.7.4 At present the Constitution contains no provision as to any approved reasons for failure to attend any meeting of the authority. It is suggested, therefore, to facilitate the proposed policy, if adopted, that paragraph 3(b) of Article 2 of the Constitution be amended to include a new sub-clause (iv) in the following terms :
- " (iv) Members will not fail to attend any meeting of the Council without a valid reason. Absence during a period when a Member is exercising an entitlement to maternity leave, paternity leave, joint parental leave or adoption leave in accordance with a policy approved by the Council for such purposes shall be deemed to be absent for a valid reason during such period".***
- 5.7.5 Paragraphs 2.5 to 2.8 inclusive of the Overview and Scrutiny Procedure Rules in Part 4.5 of the Constitution, which apply to all Committees, Panels

Working Parties and the Cabinet by virtue of Article 8 of the Constitution, provide for a procedure to deal with the absence of members from meetings. To facilitate the implementation of the proposed policy, therefore, it is suggested that :

5.7.5.1 a new sub-paragraph 2.9 is added to the Overview and Scrutiny Procedure Rules in Part 4.5 of the Constitution in the following terms :

“ 2.9 Rules 2.5 to 2.8 inclusive above shall not apply in any circumstances where a Member is exercising an entitlement to maternity leave, paternity leave, joint parental leave or adoption leave in accordance with a policy approved by the Council for such purposes.”

5.7.5.2 Article 8 of the Constitution is amended by replacing the reference to “Paragraphs 2.5 to 2.8 inclusive ” in the last paragraph of that Article with a reference to “Paragraphs 2.5 to 2.9 inclusive”.

5.8 Amendments to the Whistleblowing Code recommended by internal auditors

5.8.1 Towards the end of last year the Council’s internal auditors carried out an audit of the Council’s procedures and processes for dealing with whistleblowing complaints. A fuller report on their findings will be brought to the Committee’s next meeting. Encouragingly, in the meanwhile, they found that the Council’s Whistleblowing Code in Part 5.5 of the Constitution is clear and easy to understand, it is comprehensive and it promotes a strong message to readers that the Council are encouraging of genuine whistleblowers.

5.8.2 There are three items, however amongst their recommendations, which need amendments to the Constitution to implement.

5.8.3 Firstly, their report points out that Paragraph 9.5.6 of the Whistleblowing Code in Part 5.5 of the Constitution says that Council employees should not, in any circumstances, approach the media/press. The internal auditors point out that this can be perceived to be contrary to the Public Interest Disclosure Act 1998 where an employee may make disclosure to other parties in certain circumstances. It is suggested, therefore, that sub-paragraph 9.5.6 be deleted from the Code.

5.8.4 Secondly, the internal auditors point out that the Anti Bribery Policy within the Counter Fraud and Corruption Strategy in Part 5.7 of the Constitution clearly states that the Council does not tolerate bribery and refers to criminal sanctions that may be imposed but does not refer to disciplinary sanctions and the fact that bribery would amount to gross misconduct which would lead to dismissal of staff. It is suggested, therefore, that paragraph 2.2 of the Anti-Bribery Policy within the Counter Fraud and Corruption Strategy in Part 5.7 of the Constitution be amended to include additional wording at the end as follows:

“Apart from any criminal sanctions that may apply any employee found guilty of bribing another or of accepting a bribe will be considered to be guilty of gross misconduct and liable to be dismissed with immediate effect.”

- 5.8.5 Lastly, the internal auditors point out that the definition of fraud presently used within the Counter Fraud Response Plan does not mirror that as defined within the Fraud Act 2006, omitting key aspects of the definition such as dishonesty. It is suggested, therefore, that the existing definition in the Strategy, which is in the following terms:

“an intentional false representation, including failure to disclose information or abuse of a position that is carried out to make gain, cause loss or expose another to a risk of loss”

in paragraph 3.1 of the Anti-Fraud and Corruption Response Plan in the Anti Fraud and Corruption Strategy and Policy in Part 5.7 of the Constitution be replaced with the following words:

“dishonestly making an untrue or misleading statement to another person knowing that the statement might be untrue or misleading or dishonestly failing to declare information to another person which one has a legal duty to disclose or dishonestly abusing a position one occupies where one is expected to safeguard the financial interests of another person all with intention of making a gain for oneself or causing loss to another”.

5.9 Policy on acceptance of donations and sponsorships

- 5.9.1 At their last meeting on 13 December 2018 the Committee considered a report on the subject of blind donations. Following consideration of the Report the Committee directed the Service Lead Governance to formulate a policy on blind donations.
- 5.9.2 The Committee noted the contents of the Report which pointed out that the principal concerns around blind donations related to the fear that donations could be a device to evade money laundering regulations and as cover for fraudulent and corrupt activities. Accordingly, it is considered that the appropriate manner to deal with this issue would be to seek to incorporate a policy on donations and sponsorship within the Counter Fraud and Corruption Strategy in Part 5.7 of the Constitution.
- 5.9.3 It is suggested, therefore, that a new paragraph 1.6 be added to the Anti-Fraud Policy Statement in Section 1 of the Counter Fraud and Corruption Strategy in Part 5.7 of the Constitution in the following terms:

“ 1.6 We recognise that donations to the Council and sponsorship of Council events in money or in kind may be used as a means to launder funds contrary to money laundering regulations and as a cover for fraudulent or corrupt practices and may bring the Council into disrepute. As a consequence we have adopted a policy on donations and sponsorships as a part of this Counter Fraud and Corruption Strategy which is set out in Section 6 of

this document which we will apply to donations to and sponsorship of Council events in money or in kind.”

and a new policy on Donations and Sponsorships in should then be inserted as a new Section 6 to that Strategy. A consequential amendment should then also be made to the table headed “Section” at the front of the Counter Fraud and Corruption Strategy to include an additional line at the end saying :

“ 6. Policy on Donations and Sponsorships”.

5.10 Terms of Reference – Joint Parenting Panel

5.10.1 The Joint Parenting Panel reviews its Terms of Reference annually and has recommended that the Terms of Reference of the Panel be amended to include young people’s attendance at meetings. It is proposed that the following is added to the Terms of Reference:

“3.4 Attendance at meetings

Representatives of Looked After Children and Care Leavers will be invited to attend at the start of each meeting to present their hot topics or any matters the Panel seeks their views on.”

6 Comments of other Committees

The changes to the Constitution proposed in this Report have been formally considered and approved by the Member Panel on the Constitution.

7 Conclusion

The revisions to the Council’s Constitution recommended by this Report will enhance good governance by providing an updated, clearer and more robust guide for Members and Officers in the conduct of the Council’s affairs.

8 Appendix

Appendix - Draft revisions to Members’ Code of Conduct regarding declaration of Members’ Interests

9 Background Papers

None

DRAFT REVISIONS TO MEMBERS' CODE OF CONDUCT RELATING TO DECLARATION OF INTERESTS

4.1 Registration of interests

You must register in the Council's Register of Members' Interests your Disclosable Pecuniary Interests and your Personal Interests as set out in Appendix 2. You must do so by writing to the Monitoring Officer within 28 days of:

- your appointment as a Member of the Council; and
- any change taking place in your interests.

Failure without reasonable excuse to register a Disclosable Pecuniary Interest is a criminal offence as well as a breach of this code.

4.2 Personal Security

Where you think that disclosure of the details of any of your interests could lead to you, or a person connected with you, being subject to violence or intimidation, the Monitoring Officer may at your request make a note on the Register that you have an interest, but withhold the details.

4.4 Declaration at Meetings

All Members are required to disclose their Disclosable Pecuniary or Personal Interests at any meeting where a matter under discussion affects one or more of those interests.

Members should also declare as a Personal Interest where the subject matter under discussion:

- might reasonably be regarded as affecting the wellbeing or financial standing of them or a member of their family or a person with whom they have a close association to a greater extent than it would affect the majority of Council Tax payers, rate payers or inhabitants of their ward or Slough, or
- relates to or is likely to affect any of the interests listed in the Table in Appendix 2 of this Code, but in respect of a member of the Member's family or a person with whom they have a close association

4.6 Action following declaration

If you have declared a **Disclosable Pecuniary Interest**, you must withdraw from the room without participating in any discussion of or vote on the matter unless a written dispensation has been granted.

If you have declared a **Personal Interest** consider whether a member of the public with knowledge of the relevant facts would reasonably regard the interest as so significant that it is likely to prejudice your judgement of the public interest. If you believe this to be the case then you must withdraw from the room without participating in any discussion of or vote on the matter.

If this test is not met, you may remain, speak and vote on the matter

See Appendix 3 for the Declaration of Interests Flow Chart and Appendix 4 for the Declaration of Receipt of Gifts or Hospitality.

4.7 Dispensations from the restriction from participating and voting in meetings

A Members may apply for a dispensation from the requirement not to participate in or vote in respect of a matter at a meeting by written request to the Monitoring Officer. The Monitoring Officer (or in his/her absence the Deputy Monitoring Officer) may grant a dispensation where s/he considers, after having regard to all relevant circumstances that:

- (a) without the dispensation the number of persons prohibited from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business;
- (b) without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business;
- (c) granting the dispensation would be in the interests of persons living in Slough;
- (d) without the dispensation each Member of the Cabinet would be prohibited from participating in any particular business to be transacted by the Cabinet; or
- (e) it is otherwise appropriate to grant a dispensation.

A dispensation will be granted in writing setting out the ground or grounds on which it is agreed and it will be published on the Council's website within 7 days of the decision. The dispensation must be for a fixed time not exceeding a period beyond the next Council elections and will normally cover only a specific matter or meeting.

General Dispensations

A general dispensation is granted to all Members to be present, speak and vote where they would otherwise have a Disclosable Pecuniary Interest on the grounds that it is appropriate to grant a dispensation to allow all Members to participate fully in the following matters:

- (a) Housing: where the Member (or spouse or partner) holds a tenancy or lease with the Council as long as the matter does not only relate to the Member's particular tenancy or lease*.
- (b) School meals or school transport and travelling expenses where the Member is a parent or guardian of a child in full time education, or is a parent governor of a school, provided that the matter does not only relate to the particular school which the child attends.
- (c) Housing Benefit: where the Member (or spouse or partner) directly receives housing benefit in relation to their own circumstances.
- (d) Allowances, travelling expenses, payments or indemnity for Members (this is included for the avoidance of doubt even though they are not a DPI)
- (e) Setting the Council Tax or a Precept; and
- (f) Decisions in relation to Council Tax Benefit.

* Any general housing related dispensations afforded to Members will not negate the need for Members to declare a Personal Interest, particularly where the Member or spouse holds a tenancy or lease with the Council and a matter requiring a decision may/will impact their own Council tenancy.

For example, in cases where the matter particularly affected their local neighbourhood and was considered to affect their own tenancy more than other people in the authority's area, the Member should consider whether it is appropriate to participate in the decision making process.

For the avoidance of doubt and to ensure adherence to the Member Code of Conduct, Members should seek guidance from the Council's Monitoring Officer.

Dispensations do not affect a Member's obligation under Section 106 of the Local Government Finance Act 1992 to declare and not vote on the Council's budget if they are two months or more in arrears with their Council Tax.

4.5 Participation in Overview and Scrutiny Committees and its Panels

A Member should not sit as part of an O&S Committee or Panel for a discussion relating to a decision made (whether implemented or not) or action taken by the Council's Cabinet or another committee, sub-committee, joint committee or joint sub-committee of which that Councillor was a member and was present when that decision was made or action was taken.

4.8 Gifts and Hospitality

You must within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £50 which you have accepted as a Member from any person or body other than the borough Council.

The Monitoring Officer will place the notification on the public register of gifts and hospitality.

DISCLOSABLE PECUNIARY INTERESTS

You must register not only your own interests, but also those of your spouse, civil partner or person with whom you live as if you are spouses or civil partners, in so far as you are aware of your partner's interests.

Disclosable Pecuniary Interest	Guidance
<p>Any employment, office, trade, profession or vocation carried on for profit or gain.</p>	<p>You should show every employment, office, trade, profession or vocation that you and your spouse/partner receive remuneration for other than simply repayment of expenses, this mirrors what you have to declare for income tax purposes.</p> <p>Give a short description of the activity concerned; for example 'Computer Operator' or 'Accountant'.</p> <p>Where you hold an office, give the name of the person or body which appointed you. In case of a public office, this will be the authority which pays you.</p>
<p>Sponsorship Any payment or provision of any other financial benefit (other than from Slough BC) made or provided within the relevant period in respect of any expenses incurred in carrying out duties as a Member or towards election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>	<p>You should declare the name of any person or body who has made any payments to you towards your expenses as a Councillor or towards your election expenses. You do not need to declare the amounts of any payments, only the name of the person or body making them.</p> <p>It refers to payment of election expenses by a third party – you do not need to declare if you pay your election expenses yourself.</p>

<p>Contracts Any contract which is made between the Member or their spouse/partner (or a body in which they have a beneficial interest) and Slough BC –</p> <p>(a) Under which goods or services are to be provided or works are to be executed; and (b) Which has not been fully discharged.</p>	<p>You should list any contract made between yourself or your spouse/partner or a body in which either of you have a beneficial interest and Slough Borough Council (or an organisation contracted to carry out business on its behalf):-</p> <p>(a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.</p>
<p>Land Any beneficial interest in land which is within the Slough BC area.</p>	<p>You should include any land and buildings in the area of the Borough in which you or your spouse/partner have a beneficial interest. You should give the address or a brief description to identify it.</p> <p>If you live in the Borough you should include your home under this heading whether you own or rent it.</p> <p>You should also include any property from which you receive rent, of which you are the mortgagee, or which is owned by an organisation of which you or your spouse/partner is a trustee.</p> <p>“Land” includes any buildings or parts of buildings.</p>
<p>Licences Any licence (alone or jointly with others) to occupy land in Slough for a month or longer.</p>	<p>You should include land in Slough which you or your spouse/partner have a right to occupy, but neither own nor have tenancy of. You should give the address or a brief description to identify it.</p> <p>“Land” includes any buildings or parts of buildings.</p>
<p>Corporate Tenancies Any tenancy where (to your knowledge) –</p> <p>(a) The landlord is Slough BC; and</p> <p>(b) The tenant is a body in which you or your spouse/partner has a beneficial interest.</p>	

<p>Securities Any beneficial interest in securities of a body where –</p> <p>(a) That body (to your knowledge) has a place of business or land in Slough; and</p> <p>(b) Either –</p> <p>(i) The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class</p>	<p>You should list the names of any companies, industrial and provident societies, co-operative societies, or other bodies corporate that are active in the Borough and in which you or your spouse/partner have a substantial interest. You do not need to show the extent of your interest.</p> <p>You have a substantial interest if you or your partner own shares or other securities in the company with a nominal value of more than £25,000 or more than 1/100th of the issued share or securities. If there are several classes of shares or securities, the fraction of 1/100th applies to any of these classes.</p> <p>The company or body corporate is active in Slough if it has land or a place of business in Slough.</p>
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Personal Interests to be registered

<p><u>Membership of other bodies</u></p>
<p>a. Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the Council.</p>
<p>b. Any body exercising functions of a public nature of which you are a member or in a position of general control or management.</p>
<p>c. Any body directed to charitable purposes of which you are a member or in a position of general control or management.</p>
<p>d. Any body one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.</p>

SLOUGH BOROUGH COUNCIL**REPORT TO:** Audit & Corporate Governance Committee **DATE:** 7 March 2019**CONTACT OFFICER:** Sushil Thobhani, Service Lead Governance & Deputy Monitoring Officer**(For all enquiries)** (01753) 875036**WARD(S):** All**PART I**
FOR DECISION**POLICY ON DONATIONS AND SPONSORSHIPS****1 Purpose of Report**

The purpose of this report is to bring to the Committee a draft policy on the acceptance of donations and sponsorships in accordance with the Committee's direction at their last meeting on 13 December 2018.

2 Recommendation(s)/Proposed Action

That the policy on acceptance of donations and sponsorships, as appended to this report, be approved.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. This is underpinned by good governance arrangements being in place.

4 Other Implications**(a) Financial**

There are no financial implications arising from this report.

(b) Human Rights Act and Other Legal Implications

There are no Human Rights Act or other legal implications arising from this report.

(c) Equalities Impact Assessment

There is no identified need for an EIA arising from this Report.

5 Supporting Information

- 5.1. At their meeting on 13 December 2018 the Committee considered a report on blind donations and sponsorships. The Committee agreed that the Service Lead, Governance should put together a policy and report to a future meeting.

- 5.2 The report to the Committee at their last meeting pointed out that the concerns in this area were primarily around the issues of ethics and illegality in that donations and sponsorships could be used to seek to evade the regulations relating to money laundering and as a means of bribery and corruption.
- 5.3 It is considered, therefore, that the appropriate manner for the Council to adopt a policy on donations and sponsorships would be to incorporate such a policy within the Counter Fraud and Corruption Strategy in Part 5.7 of the Constitution.
- 5.4 There is a separate report before the Council today on revisions to the Constitution which set out the details of the manner in which such a policy could be incorporated into the Constitution. This report seeks to deal with the policy itself.
- 5.5 A draft policy on donations and sponsorships has been prepared and it is appended to this Report.
- 5.6 The report to the Committee at their last meeting provided the Committee with some examples of policies on donations and sponsorships adopted by another local authority and some other organisations.
- 5.7 The common characteristics of all of these policies are that they set out principles which will guide the acceptance of donations and sponsorships, they describe individuals or organisations from whom donations and sponsorships will not be accepted, they reserve the right to refuse to accept donations and sponsorships at the discretion of the accepting body and to carry out due diligence enquiries as to the source of funds, they seek to retain control over the form of any advertisements and they set out the internal governance arrangements of the accepting body with regard to acceptance of donations and sponsorships.
- 5.8 The draft policy appended to this report seeks to adopt these characteristics.
- 5.9 The principles which the draft policy sets out which will guide the acceptance of donations and sponsorships are that they must not bring the Council into disrepute, they must reflect the integrity of the Council and they must not influence or fetter the Council in the proper discharge of their duties.
- 5.10 The draft policy set out that the individuals or organisations from whom the Council will not accept donations and sponsorships are ones who breach laws relating to modern slavery, laws relating to discrimination based on protected characteristics, laws relating to advertising, who are engaged in the business of selling alcohol or fast food or who are licenced sex establishments or betting or gaming establishments or who are in conflict with the Council in any way.
- 5.11 The internal governance arrangements set out in the draft policy for dealing with the acceptance of donations and sponsorships provide for the Council's Section 151 Officer to monitor all donations and sponsorships and for the Council Management Team to be responsible for all decisions in this area and for that team to consult the Leader and Lead Members upon any sponsorships having significant long term affects such as naming of buildings.

6. **Comments of Other Committees**

The draft policy appended to this Report has been considered by the Council's Member Panel on the Constitution and agreed by that Panel

7. **Conclusion**

It is considered that the incorporation of a policy on donations and sponsorships in the form appended to this Report in the manner detailed in the separate report on revisions to the Constitution before the Committee today would be a prudent step to take to fill a gap in and to strengthen the Council's governance arrangements for the future.

8. **Appendices**

Appendix – Draft Policy on Donations and Sponsorships

9. **Background Papers**

None

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SLOUGH BOROUGH COUNCIL DONATION AND SPONSORSHIP ACCEPTANCE POLICY

POLICY AIMS AND OBJECTIVES

Slough Borough Council is a local authority within the meaning of that term in the Local Government Act 1972 discharging statutory and other public duties for the benefit of persons residing or working in or visiting its area.

The Council will act in the best interests of its residents, workers and visitors when deciding to accept or refuse a donation or sponsorship.

The Council wish to uphold the highest standards of practice and to abide by key principles and behaviours: to be legal, open, and honest.

The Council undertake to comply with all relevant law and regulations including the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016 . All Council Officers will abide by the Council's Counter Fraud and Corruption Strategy of which this Donations and Sponsorship Policy forms part.

This policy sets out the principles and approach the Council take to considering donation and sponsorship acceptance.

DONATION AND SPONSORSHIP ACCEPTANCE

The Council consider that donations in money or in kind and acceptance of sponsorship can be of considerable benefit to it residents, workers and visitors. Equally, however, the Council consider donations and sponsorship can be misused to evade money laundering legislation or used as a cover for bribery or fraud.

The Council will consider all donations and sponsorships against the following principles:

They must:

- Not bring the Council into disrepute
- reflect the integrity of the Council
- not influence or fetter the Council in the proper discharge of their duties

The Council will not accept donations in money or in kind or accept sponsorship from any individual or organisation who or which

- breach legislation relating to Modern Slavery including the Modern Slavery Act 2015
- are engaged in the business of selling fast food or alcohol or are licensed sex establishments or gaming establishments
- breach legislation relating to discrimination on grounds of protected characteristics including the Equality Act 2010
- are in breach of legislation relating to advertising and town planning including the Town And Country Planning (Control of Advertisements) (England) Regulations 2007
- engaged in any conflict with the Council with regard to any of the Council's functions or generally

The Council reserve the right to refuse to accept any donation in money or in kind or to accept any sponsorship for any reason at its absolute discretion

The Council reserve the right to approve the form and content of any advertising materials.

The Council's Director for Finance & Resources and S151 Officer is responsible for ensuring donations and sponsorships are monitored as they are received by the Council. The Council will accept donations and sponsorships which abide by the principles above and have no risk attached.

Where there is concern in relation to the criteria, the Council will undertake due diligence to establish the legitimacy of the donation or sponsorship. This may include requirement of proof of identity and proof of the source of funds.

The Council's Director of Finance & Resources will refer any concerns to the Council's Monitoring Officer and subsequently to the Council Management Team.

The Council Management Team take ultimate responsibility for accepting or refusing a donation or sponsorship. It is their responsibility to act in the best interests of the Council when accepting donations or sponsorship.

Benefits relating to donation and sponsorship offered to any particular directorate of the Council will be negotiated by the relevant Director, in consultation with the appropriate Lead Member. For significant and long term benefits, such as building naming rights, approval of the Council Management Team will be sought who shall consult with the Leader of the Council and Lead Members before agreeing to any such long term rights.

All Officers and Members of the Council will consider conflicts of interest in relation to donation and sponsorship and must act in accordance with the Local Code of Conduct for Employees and the Councillors Code of Conduct, as appropriate.

DONATION AND SPONSORSHIP REFUSAL

If the Council decide to refuse a donation or sponsorship, a careful record of the Council's decision, and the reason for it, must be kept.

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SLOUGH BOROUGH COUNCIL**REPORT TO:** Audit & Corporate Governance Committee**DATE:** 7 March 2019**CONTACT OFFICER:** Sushil Thobhani, Service Lead Governance & Deputy Monitoring Officer**(For all enquiries)** (01753) 875036**WARD(S):** All**PART 1**
FOR INFORMATION**INDEXATION ISSUES ARISING FROM THE CONTRACT WITH SLOUGH ENTERPRISE LIMITED - UPDATE****1 Purpose of Report**

The purpose of this report is to update the Committee about the issue of the indexation provisions in the Council's contract with Slough Enterprise Limited (formerly known as Slough Accord Limited), a subsidiary of Amey UK Plc, following the last meeting of the Committee.

2 Recommendation(s)/Proposed Action

The Committee is requested to note the contents of this report.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. The Council's learning and actions in response to the findings of this report will serve to enhance the delivery of these priorities.

4 Other Implications**(a) Financial**

The financial implications arising from this report appear within the body of the Report.

(b) Human Rights Act and Other Legal Implications

There are no Human Rights Acts implications arising from this report. The Legal implications appear within this Report.

Equalities Impact Assessment

There is no identified need for an EIA arising from the subject matter of this Report.

5 **Supporting Information**

- 5.1 At its previous meeting on 13 December 2018, the Committee requested an update about the indexation issue under the Council's environmental services contract with Slough Enterprise Limited which expired on 30 November 2017.
- 5.2 The issue can be summarised as follows:
 - 5.2.1 It is common ground between the Council and the Contractor that the formula for indexation set out in the contract contained an obvious error and could not be operated in the form contained in the contract.
 - 5.2.2 In or around 2006 and 2007 the Council and the Contractor agreed the manner in which the formula would be applied and the contract was operated on that basis from that time.
 - 5.2.3 In or around 2014 Officers considered that the indexation calculations made by the Contractor since the agreement reached in or around 2006 and 2007 were incorrect and the officers prepared a spreadsheet showing the differences between their calculations and those of the contractor. This spreadsheet is appended as a confidential appendix to this Report. This spreadsheet is the basis for the case that there may have been an overpayment to the Contractor under the contract.
 - 5.2.4 Certain parts of the calculations appear to be consistent with the manner in which it is considered that the contract would be interpreted by the Court but it is difficult to understand the methodology lying behind other parts of the Officers' calculations.
- 5.3 The essential issue, therefore, is over the methodology behind the calculations of the officers set in the spreadsheet appended to this Report.
- 5.4 The Officer responsible for the preparation of the appended spreadsheet left the employ of the Council in early May 2017.
- 5.5 Since the last meeting of the Committee the Council have engaged the external consultants, Ethical Commercial Services Limited, who are presently assisting the Council with the Council's commercialisation and contract management projects, to carry out a review of this matter. They have reviewed the matter. They too are unable to deconstruct the methodology behind the officer's calculations contained in the appended spreadsheet.
- 5.6 The Index for the purposes of the Contract is defined as the Retail Price Index (RPI) less mortgage interest payments (all items). For the purposes of the true interpretation of the indexation provisions in the contract it is considered that the Contract Sum and Schedule of Rates Services are to be adjusted by the percentage change in the Index between March of the previous year and the March of the year of the adjustment. So, by way of hypothetical example, if the index had increased by 2% between March 2005 and March 2006 then the Contract Sum and Schedule of Rates Services would increase by 2% on 1 April 2006.

- 5.7 Some of the calculations shown on the attached spreadsheet appear to be consistent with the changes in RPI less mortgage interest payments (all items) contained in the tables published by the National Office of Statistics and in accordance with the interpretation set out in the preceding paragraph of this Report. It is not possible to discern, however, on what basis other parts of the calculations which purport to be the basis for the claim for overpayment have been made.
- 5.8 The calculations were reviewed by the Council's internal auditors, as detailed in their confidential Report which was appended to the last Report to the Committee on 13 December 2018 but this review was carried out without consideration of the contract documents and was subject to legal review and validation of the calculations.

6 **Conclusion**

In the light of the matters reported above the basis for the Council to continue to seek to pursue a claim for repayment of overpaid sums from the contractor is not clearly established and the external consultants who have reviewed the papers in this case have so advised.

7 **Appendices**

Appendix A – Part II Spreadsheet of Officers' comparative calculations of Indexation payments.

8 **Background Papers**

None.

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