

SELECTION AND MEMBER SERVICES COMMITTEE

Wednesday, 14th March, 2012

2.00 pm

Swale 2, Sessions House, County Hall, Maidstone



KENT COUNTY COUNCIL

SELECTION AND MEMBER SERVICES COMMITTEE

AGENDA

Wednesday, 14 March 2012, at 2.00 pm Ask for: **Andrew Tait**
in the Swale 2, Sessions House, Telephone: **01622 694342**
County Hall, Maidstone

Membership (9)

Conservative (7): Mr P J Homewood (Chairman), Mr P B Carter, Mr A J King, MBE,
Mr K G Lynes, Mr B J Sweetland, Mr M J Whiting and Mrs J Whittle

Liberal Democrat (1): Mrs T Dean

Labour (1) Mr G Cowan

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Substitutes
2. Declarations of Interests by Members in items on the Agenda for this meeting.
3. Minutes (Pages 1 - 4)
18 November 2011
1 December 2011
4. Report by Kent Audit on Members' Expenses (Pages 5 - 24)
5. New Governance Arrangements for Kent County Council TO FOLLOW
6. Use of County Cars by Members (Pages 25 - 32)
7. Use of Social Media: Streaming of Questions into Committees (Pages 33 - 34)

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Peter Sass
Head of Democratic Services

Tuesday, 6 March 2012

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.

KENT COUNTY COUNCIL

SELECTION AND MEMBER SERVICES COMMITTEE

MINUTES of a meeting of the Selection and Member Services Committee held in the Wantsum Room, Sessions House, County Hall, Maidstone on Friday, 18 November 2011.

PRESENT: Mr P J Homewood (Chairman), Mrs T Dean, Mr A J King, MBE, Mr B J Sweetland and Mr M J Whiting

IN ATTENDANCE: Mr N Smead (Learning Account Manager) and Mr A Tait (Democratic Services Officer)

UNRESTRICTED ITEMS

38. Minutes - 20 October 2011

(Item 3)

RESOLVED that the Minutes of the meeting held on 20 October 2011 are correctly recorded and that they be signed by the Chairman.

39. Member Development Policy Review

(Item 4)

(1) The Committee asked for some minor amendments to the text of the Member Development Policy and to the inclusion of research skills as one of the skills and behaviours to be developed under the "Purpose of Elected Member Development" section of the report.

(2) RESOLVED that the County Council be recommended to approve the draft updated Member Development Policy (as amended in (1) above) for incorporation in to the Constitution.

40. Proposed amendment to Governor Appointments Panel officer delegations

(Item 5)

(1) Mr D L Brazier made a declaration of Personal Interest as the Chairman of the Governor Appointments Panel.

(2) The Committee agreed that the Leaders of all three political groups (or their representatives) should also be consulted whenever the Corporate Director of Education, Learning and Skills intended to appoint or remove an LEA Governor in urgent cases.

(3) The Committee also agreed that a report on the Education, Libraries and Skills Scheme of Delegations would be presented to the Committee meeting on 26 January 2012.

(4) RESOLVED that:-

- (a) the Corporate Director of Education, Learning and Skills be given delegated authority (in consultation with the Chairman of the Governor Appointments Panel and the three Group Leaders or their representatives) to appoint and remove LEA Governors in urgent cases;
- (b) the need for training for Officers and Members be noted in respect of decision-making powers in matters outside the County Council's executive functions; and
- (c) a report on the Education, Libraries and Skills Scheme of Delegations be presented to the Committee meeting on 26 January 2012.

41. Requests for Outside Body appointments

(Item 6)

RESOLVED that:-

- (a) Mr Gordon Cowan be appointed as the County Council's representative on the Dover Roman Painted House Trust in his capacity as Local Member; and
- (b) a Member from Swale District be appointed to serve on the Swale Rural Forum.

SELECTION AND MEMBER SERVICES COMMITTEE

MINUTES of a meeting of the Selection and Member Services Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 1 December 2011.

PRESENT: Mr P J Homewood (Chairman), Mr A H T Bowles (Substitute for Mr P B Carter), Mr G Cowan, Mrs T Dean, Mr A J King, MBE, Mr K G Lynes, Mr B J Sweetland, Mr M J Whiting and Mrs J Whittle

ALSO PRESENT: Mrs A D Allen, Mr A D Crowther, Mr K H Pugh and Mr J N Wedgbury

IN ATTENDANCE: Mr G Wild (Director of Governance and Law), Mr P Sass (Head of Democratic Services), Mr P D Wickenden (Democratic Services Transition Manager) and Mr A Tait (Democratic Services Officer)

UNRESTRICTED ITEMS

42. Options for new governance arrangements for Kent County Council (Item 3)

(1) The report by the Leader and the Director of Law and Governance on options for new governance arrangements for the County Council was circulated at the meeting. The Chairman declared consideration of the report to be Urgent as the County Council was due to consider the matter at its meeting on 15 December 2011.

(2) The Committee noted that the report on this matter to the County Council would be by the Leader and that the role of the Committee was therefore to make comments which he could incorporate if he was minded to do so.

(3) Members of the Committee made the following comments in relation to the text of the report:-

(a) Para 3 (1): As the appointment of the Cabinet Committee Chairmen would be in the gift of the Leader, what mechanism would be used to appoint a Chairman from the Opposition Groups?

(b) Para 3 (1): The report did not need to specify that Chairmen could be appointed from Opposition Groups as this was already implied by the phrase "non-executive Members."

(c) Para 3: The reasons for having a mixed economy of Cabinet Committee Chairmen were noted. However, if any one particular arrangement was seen to be working better than others, the County Council should not feel tied to the specified 12 month review period.

(d) Para 3: There might well be a need to trial different chairmanship models for individual Cabinet Committees.

(e) Para 3 (6): It would be essential to retain the Children's Services Improvement Panel together with the Corporate Parenting Panel.

(f) Para 3 (15) & (16): The text in these two paragraphs on proportionality were capable of being misunderstood. Further clarification was needed to show that it was the County Council's choice to apply proportionality to the Cabinet Committees (although it did not have to do so) and that this proportionality was to be varied by allowing each minority group to take up a seat on each of these Committees even if strict application of proportionality would not entitle them to do so. The text of paragraph 3 (15) should be amended to clarify that this was to be the arrangement for all minority groups rather than the "Labour Group."

(g) Paras 7 and 8: As each Member who sat on a Cabinet Committee was automatically serving on the executive side, there was a risk that there might be difficulties in identifying a sufficient number of Members to sit on the "Overview and Scrutiny Committee."

(h) Para 8: Whilst recognising that the term "Overview and Scrutiny Committee" was set out in section 21 of the Local Government Act 2000, the text of this paragraph should be written in such a manner as to clarify that this Committee may not be called by that name and that it would only carry out the scrutiny function i.e. to call in for scrutiny decisions made but not yet called in by the Executive.

(i) The Member Role Description of a Chairman of a Cabinet Committee should include the function of "signposting" items that Members wished to place on its agenda to a forum where the issue could be dealt with most appropriately.

(j) The County Council should not at this stage prescribe that each Cabinet Committee should only meet five times during a calendar year as it might become apparent that some of them would need to meet more frequently.

(k) The report should specify that a Cabinet Committee could set up its own Sub-Committees to consider specific matters including urgent business. This would enable the County Council to continue to avoid the necessity of setting up ad hoc meetings of the "Overview and Scrutiny Committee."

(l) The report should underline the importance that the County Council attached to Localism, Locality Boards and Joint Transportation Boards.

(4) RESOLVED that:-

- (a) the comments made by individual Members of the Committee (set out in (3) above) be forwarded to the Leader for possible incorporation into his report to the County Council on 15 December 2011;
- (b) the ongoing work on the Constitution and other constitutional framework/operational documents be noted; and
- (c) the arrangements for embedding the new governance arrangements into the County Council be noted together with the training of Members and officers to ensure a smooth transition.

To: Selection and Member Services Committee – 14 March 2012

By: Geoff Wild, Director of Governance and Law
Peter Sass, Head of Democratic Services

Subject: Report by Kent Audit on Members' Expenses

Classification: Unrestricted

Summary This report invites the Committee to consider the review undertaken by Kent Audit of Members' Expenses and seeks the Committee's views on and endorsement of the management action plan.

1. Background

1.1 As an addition to the original Annual Audit Plan for 2011/12, it was agreed that an audit of Members' Expenses and other expenditure incurred on behalf of Members, for example the use of County Cars, would be undertaken to ensure the system was robust. The overall objective of the audit was to provide assurance that the current system for review, approval and monitoring of Members' Expenses and related expenditure was adequate to ensure all payments made are accurate and bona fide.

1.2 Based on the findings of the audit, Kent Audit has confirmed that it is able to give **substantial** assurance that the current system is adequate to ensure that all payments made are accurate and bona fide.

1.3 The final draft report from the Kent Audit team is attached at **Appendix 1**. The Committee is invited to comment upon and endorse the recommendations in the Management Action Plan. A number of the recommendations, such as updating the Members' Handbook, are straightforward and have been accepted during the consultation phase with officers on the draft report. Other recommendations, such as the proposed process for detailed sample testing of Members' Expense Claims, have either been noted or accepted in principle, subject to the views of this Committee. Following this Committee's consideration of the draft report and the finalisation of the management action plan, the report will be submitted to the Governance and Audit Committee in April.

2. Recommendations

2.1 The Committee is invited to comment upon and endorse the report from Kent Audit and approve the management action plan.

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Directorate Authority Wide
Audit Title Members Expenses

Opinion Substantial

Date issued 22nd February 2012

REPORT DISTRIBUTION

Members

Leader of the Council	Paul Carter
Deputy Leader of the Council	Alex King
Cabinet Member for Business Strategy, Performance & Health Reform	Roger Gough
Cabinet Member for Finance & Business Support	John Simmonds

Officers

Corporate Director of Business Strategy and Support	David Cockburn
Corporate Director of Finance and Procurement	Andy Wood
Director of Governance and Law	Geoff Wild
Head of Democratic Services	Peter Sass
Head of the Civic Office	Joanne Holmes

Report Preparation

Report Author	Alison Hardwick, Senior Auditor	01622 694695
QA Review	Samantha Buckland, Acting Head of Internal Audit	01622 694611

The assistance of staff in providing help and hospitality during the audit is gratefully acknowledged.

Executive Summary

Introduction

1. As an addition to the original Annual Audit Plan for 2011/12 it has been agreed that an audit of Members' Expenses and other expenditure incurred on behalf of Members, for example the use of County Cars, will be undertaken to ensure that the current system is robust. This is an area of substantial public interest and consequently there is a need for independent assurance that payments made and expenditure incurred are appropriate, accurate and reported transparently. The overall objective of the audit was to provide assurance that the current system for review, approval and monitoring of Members' expenses and related expenditure is adequate to ensure all payments made are accurate and bona fide.
2. We selected a sample of Members expense claims from April 2011 to November 2011. The sample included the top ten claimants, Members in senior positions and a random sample taking into account the political makeup of the Council; in total 40 Members' claims were reviewed. In addition to this we interviewed those Members who had yet to make any expense claims in the current financial year.
3. For each claim in the sample a selection of individual journeys were identified and testing was undertaken to confirm the validity of the claim, using meeting attendance information, minutes from meetings, electronic calendars and where necessary other sources on the internet. In order to verify mileage claimed for journeys made we used a standard route planner and allowed 10% margin for use of alternative routes.
4. To ensure that we had full understanding of the current processes in place we interviewed officers from the Members' Desk and the Civic Office who are currently responsible for reviewing and approving Members expenses under the direction of the Head of Democratic Services.

Opinion

5. Based on the findings in this audit, we can give **substantial** assurance that the current system for review, approval and monitoring of Members' expenses and related expenditure is adequate to ensure all payments made are accurate and bona fide. Although we have made several recommendations to improve the current process, the assurance level takes into account that audit testing identified very few instances where expenses had been claimed incorrectly. Substantial assurance means that:

Some of the controls evaluated are generally well designed, appropriate in scope and applied consistently and effectively. However, issues of poor design, gaps in coverage or inconsistent or ineffective implementation have been identified that require immediate management attention. The issues identified, if unresolved, mean that objectives may not be achieved.

Main findings

6. There is a lack of detail on a number of claims in the sample (manual or electronic) to enable those officers approving claims to determine the legitimacy of the claim.
7. There are some inconsistencies in the number of miles claimed for individual journeys, even when allowing a 10% margin for variations. These inconsistencies occur in 12 Members' claims.

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8. The sample identified instances where claims for expenses have not been made within the time limits in accordance with Regulation 14 of the Local Authorities (Members' Allowances) (England) Regulations 2003.
9. Expenses have been processed and paid prior to spot checking for validity, and without being signed and approved by a Head of Department.
10. All payments to Members are recorded on the Council's financial system. The payments made are monitored on a monthly basis by officers within the Democratic Services team.
11. Payments are only made to Members only with supporting documentation, for example complete mileage log sheets, and supporting receipts for parking, public transport/hotel expenses. Payments made match the detail on the claim forms.
12. The Council has met its statutory requirement to publish a list of county councillors' allowances and expenses claimed every year.

Detailed Report

Introduction and Background

13. As an addition to the original Annual Audit Plan for 2011/12 it was agreed that an audit of Members' Expenses and other expenditure incurred on behalf of Members, for example the use of County Cars, will be undertaken to ensure that the current system is robust.
14. This is an area of substantial public interest and consequently there is a need for independent assurance that payments made and expenditure incurred are appropriate, accurate and reported transparently.

Objectives and Scope of the audit

15. The overall objective of the audit was to provide assurance that the current system for review, approval and monitoring of Members' expenses and related expenditure is adequate to ensure all payments made are accurate and bona fide.
16. In line with the overall objective of the audit we reviewed the following controls objectives:
 - There is an appropriate level of guidance, information and support provided to both officers and Members to ensure an understanding of eligibility criteria and evidence requirements
 - All claims submitted are subject to review and approval to ensure they are bona fide expenses incurred on Kent County Council duties
 - Payments are processed and recorded correctly to ensure they are complete, accurate, timely and are not duplicated
 - Members' expenses, and other expenditure incurred on behalf of Members, are monitored and reported appropriately to ensure transparency and accountability
17. The controls identified have been evaluated to ensure they are well designed, appropriate in scope and are applied consistently and effectively. Where expected controls are absent we have established the existence of any compensatory controls.
18. Our assurance is provided through review of the system, supporting documentation and sample testing.
19. We reviewed written procedures and additional guidance provided to ascertain whether this is adequate to ensure both officers and Members are aware of entitlements and requirements and therefore to minimise the risk of error.
20. Testing was then undertaken both through analytical review of all expenses paid for 2011/12 to date and through detailed review of a sample of expense claims selected at random across all Members. The sample selected was reviewed for the following:
 - Compliance with the Members' Allowances Scheme (Appendix 7 of the Constitution)
 - Evidence of review undertaken, relevant checks and availability of supporting documentation where relevant

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- Accuracy of processing the amount claimed and reconciliation to the amount recorded and subsequently paid
- Demonstration of appropriate verification and approval

Detailed Findings

There is an appropriate level of guidance, information and support provided to both officers and Members to ensure an understanding of eligibility criteria and evidence requirements

21. This control was partially met. The Council's Constitution (Appendix Seven) and Members' Handbook both provide Members with guidance on expenses and allowances.
22. The Members' Handbook states that the time limit for claims is three months; however, in accordance with Regulation 14 of the Local Authorities (Members' Allowances) (England) Regulations 2003 and with the Council's Constitution, the time limit for the submission of claims relating to travel, subsistence, co-optees and dependent carers allowances is four months from the date the expense was incurred.
23. Members can choose not to claim expenses; however they do not have to formally notify anyone. Testing of all members who have yet to make a claim in this financial year 2011/12 identified that one Member intended to make a claim for two years' worth of expenses. We advised that claims should be made within four months and referred the Member to the Democratic Services team.
24. Neither the Constitution nor the Members' Handbook advises that VAT petrol receipts should be submitted with each claim where mileage expenses are incurred. However it is our understanding that regulations require a valid VAT receipt is retained to substantiate any claim that is made to HM Revenue & Customs by the Council. Both the constitution and the Members' Handbook clearly state that receipts should be provided for expenses incurred when using public transport, parking fees and hotel expenses.
25. Members have been written to recently to remind them to make their claims within the required time period. We have reviewed a draft copy of a further memo to be issued, which will contain a reminder of the expenses procedures, and, subject to a formal decision of the Council's Selection and Member Services Committee, an instruction that with effect from 1st April 2012 (or a later date to be agreed by the Committee) expense claims can only be submitted through Oracle Self Service. Guidance for using Self Service has also been drawn up and refresher training sessions will be available for Members to attend.
26. The Members' Handbook was last updated in January 2011 and requires further updating to reflect changes in taxable mileage allowances. The Members' Handbook should also be updated with regard to the submission of expense claims via the Oracle Self Service function, subject to the decision of the Selection and Member Services Committee referred to in paragraph 25 above.

All claims submitted are subject to review and approval to ensure they are bona fide expenses incurred on Kent County Council duties

27. This control was partially met. Currently Members are able to claim expenses on manual forms and submit via self service, approximately one third of Members use the self service function.

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28. All manual expense forms are submitted to the officers on the Members' Desk, to be signed/initialled by an officer to confirm a review has been completed and signed by the Head of Department to process for payment. Of the 67 manual claims in the sample the majority were reviewed, however, only ten were signed and approved for payment by the Head of Department. We recommend that signatures are obtained prior to expenses being paid until the on line expense claims become mandatory, subject to the decision of the Selection and Member Services Committee.
29. Online claims are automated, and are sent to an officer in the Members' Support team for review and approval. We understand that the Head of the Civic office has requested that an additional automated approval step be added to the process to enable a separation between the reviewer and approver. Until this automation is in place, the Head of the Civic Office initials a paper copy of the on line submission to confirm approval for payment. We can confirm we have seen sufficient evidence to suggest this process is in place and working.
30. With effect from October 2011, a sample of all Members expense claims submitted each month have been subject to spot checking to test the validity of the claims. The spot check involves verifying attendance at meetings and checking mileage. Attendance at meetings is verified by checking Committee minutes on the Councils' intranet or by contacting relevant officers. In addition to this Members' Desk officers attempt to verify the claims using the electronic Outlook Calendars. However this can prove difficult as not all Members have given view only access to the diaries.
31. We were unable to verify whether spot checking had been completed in October as the supporting paperwork had been mislaid. At the time of the audit (January 2012) the spot checking of expense claims was being undertaken on claims that had been submitted in November, and therefore the Members would have already received payment.
32. Staff in the Members' Support Team have compiled guidance which has been available since October 2011 to assist them when checking Members expenses. We have reviewed the guidance and made a recommendation to improve the content.
33. The Council's Constitution states that according to legislation constitution expense claims should be submitted within four months of the expense being incurred. Testing of expense claims submitted from April to November 2011 identified 28 claims that had time expired but were still paid.
34. Testing identified one instance of mileage claim over a long distance. Members should give consideration to the method of transport used for essential journeys and efforts should be made to choose the most cost effective method available.
35. Testing of expense claims was undertaken on 40 Members. The sample was selected by reviewing a sample of claims from the top ten highest claimers, in addition to this a further 30 Members were selected including, the Leader, Deputy Leader, Leaders of the Opposition Groups,, those Members in high profile roles (Chairman and Vice Chairman, Governance and Audit Committee Chairman, Personnel Committee Chairman and the Superannuation Fund Committee Chairman) the remainder were selected at random but taking into account the political make up of the Council. In addition to those already raised testing identified the following issues:
 - Lack of detail on claim to determine what duties Members had been undertaking
 - Dates of meetings incorrect on submission

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- Over claiming mileage when distances compared using AA route planner (allowing 10% for alternative routes)
- Members who attend committee meetings as 'spectators' are not always logged on committee minutes, making it difficult to verify their attendance'
- Claiming mileage from the Council when representing KCC at outside bodies when claims should be made to the bodies directly e.g. school governor, trustee of Academy
- Receipts submitted for public transport did not always contain details of journey – however this was only in two instances, all others in the sample were supported by an appropriate receipt or ticket.

Payments are processed and recorded correctly to ensure they are complete, accurate, timely and are not duplicated

36. This control was fully met. Payments to Members are recorded on the Council's financial system (Oracle). The payments made are monitored on a monthly basis by officers within the Democratic Services team.
37. Payments are made to Members only with supporting documentation, for example complete mileage log sheets, and supporting receipts for parking, public transport/hotel expenses. Expense claims are sent to Employee Services for processing.
38. With effect from October 2011, monthly reconciliations have been undertaken by the County Car Administrator of Members use of the county cars and the expenses they have claimed. Testing of three months worth of county car data did not identify any issues with duplicate claims.
39. Testing has been undertaken on the top ten claimants for all claims within the sample to verify whether the mileage expenses claimed match those submitted on the expense claims.
40. Testing confirmed that claims matched the payments in all cases. The budget monitoring sheet contains sufficient details to enable monitoring of periods claim to avoid duplication. Payments made to Members are timely providing that they submit their claims by the cut off dates which are held on KNet.

Members' expenses, and other expenditure incurred on behalf of Members, are monitored and reported appropriately to ensure transparency and accountability

41. This control was fully met. Members' expenses are monitored monthly for budget purposes by the Democratic Services Team.
42. The Council has a statutory requirement to publish a list of county councillors' allowances and expenses claimed each year. This is published on the Kent.gov website. However, consideration could be given to publishing expenses information more frequently in line with that of the publishing of the expenses of the Senior Officers of the Council, although it is accepted that the Council is not required to do so.
43. In addition to expenses being published on the Kent.gov website, the annual expenses report is taken to the Selection and Member Services Committee for review prior to publication.

Conclusions

44. Based on the findings of this audit, we can give **substantial** assurance that the overall objectives for the current system for approving and paying Members expenses will be achieved.

The areas highlighted during the audit where recommendations have been made include:

- Updating the Members' Handbook
- Use of electronic diaries and increase detail on expense claims
- Guidance for officers responsible for reviewing claims to be updated
- Not approving claims until spot checks have been completed and only if they are within the agreed time period
- Claiming expenses from outside bodies
- Publishing Members expense information more frequently

New processes to improve controls in this area were put in place in October 2011. The timing of this audit was such that we were only able to test the effectiveness of the new controls for expenses related to October and November 2011. As such, these processes are not yet fully embedded and the assurance level provided relates to the full financial year recognising that improvements are in progress.

We appreciate that improving controls may increase the amount of pre-payment checking of expense claims and the impact that this process has directly on Members. However, we understand that the Modern.Gov system, which KCC uses for the publication of its Committee agendas, the Forward Plan and Member information has an expenses module which may improve the expense claim submission process. We suggest that further investigation is made into the viability of using this module.

KENT AUDIT

Appendix 1 Management Action Plan

Finding	Recommendation	Priority (H/M/L)	Management Response	Accountable Officer	Implementation Date
Guidance, Information and Support					
The Members' Handbook does not correspond with the latest version of the Council's Constitution. Specifically those areas that are incorrect are, the allowance payable for mileage expenses, the time limit under which claims for expenses can be made, members allowances and the contact details for any queries that a Member may have when completing their expense claims.	The Members Handbook should be updated to reflect Appendix 7 of the Council's Constitution.	L	This recommendation is accepted in full	Peter Sass – Head of Democratic Services	By the end of March 2012
Guidance, Information and Support					
Neither the Constitution nor the Members' Handbook makes reference to the requirement for VAT petrol receipts to be submitted with mileage claims.	The Constitution and Members' Handbook should be updated to reflect the requirement for mileage claims to be supported with VAT petrol receipts for the months claimed.	L	This recommendation is accepted in full	Peter Sass – Head of Democratic Services	By the end of March 2012
On testing of expense claims, for both manual and self service submissions, not all Members had submitted petrol receipts, and in some cases on self service, had indicated receipts were available, but had still not submitted them.	A memo should be issued to Members with effect from 1st April 2012 that the receipt indicator should only be ticked on self service when they have a valid VAT petrol receipt which would cover the journeys claimed for.	L	This recommendation is accepted in full	Peter Sass – Head of Democratic Services	By the end of March 2012
Guidance, Information and Support					

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Appendix 1 Management Action Plan

Finding	Recommendation	Priority (H/M/L)	Management Response	Accountable Officer	Implementation Date
Testing of expense claims identified that not all Members make use of electronic diaries, in addition to this not all councillors provide view only access to their outlook calendars therefore making reconciliation of the Members whereabouts to their expenses difficult for officers.	In order to assist Members service desk with the sample checking of expense claims, Members should make use of the electronic diaries, and provide view only access to officers on the Members desk.	L	This recommendation will be discussed with Members, subject to the deliberations of the Selection and Member Services Committee	Peter Sass – Head of Democratic Services	By the end of March 2012
Guidance, Information and Support					
A review of the officers guidance, highlighted that it states that claims should only be paid if less than three months old. The guidance should also state that the spot checking should be rotated to ensure that each Member has a claim checked in detail at least once per financial year. Interviews with the Members' Desk officers also confirmed that a paper based system was in place to monitor which Members had been spot checked so far that year (the process had only been in place since October 2011) unfortunately, the paperwork had been mislaid and they were unable to evidence which claims had been checked.	The officers' guidance notes should be updated to reflect the Council's Constitution and legislation, and to reflect the changes in the spot checking process. Monitoring of which Members claims have been spot checked should be held electronically, in an area that can be access by all those officers likely to complete the testing going forward.	L	The recommendation in respect of updating the guidance notes is accepted in full. The process for spot-checking Members' claims should be discussed at the Selection and Member Services Committee	Peter Sass – Head of Democratic Services	By the end of March 2012
Review and Approval					

KENT AUDIT

Appendix 1 Management Action Plan

Finding	Recommendation	Priority (H/M/L)	Management Response	Accountable Officer	Implementation Date
Of the 67 manual claims in the sample, the majority were reviewed, however only ten were signed approved for payment by the Head of Department.	The Head of Department should sign off all manual claims until the self service function is mandatory.	M	This recommendation is accepted in full	Peter Sass – Head of Democratic Services	By the end of March 2012
Review and Approval					
On testing mileage expense mileage are claimed, lack of detail provided to enable those approving expense claims to determine whether the claim is legitimate	More detail should be provided for the purpose of the journey, and post codes should always be provided, particularly when claims are not for journeys to county hall	M	It is accepted that Members should always provide sufficient detail on their claim forms to enable them to be checked and authorised and Members will be reminded to do so	Peter Sass – Head of Democratic Services	By the end of March 2012
Review and Approval					
Testing undertaken of mileage claims highlighted inconsistencies in the number of miles claimed; we allowed 10% to allow for variations to the journey, but this still identified some anomalies in the expense claims of 12 Members.	Member Services Desk officers responsible for reviewing expense claims should check distances claimed ensuring consistency by using the same route planner. 10% allowance should be given to allow for variances in routes taken. The route planner used should be communicated to Members to ensure that they are fully aware of the methods used to validate their claims.	M	This recommendation is accepted	Peter Sass – Head of Democratic Services	By the end of March 2012
Review and Approval					

KENT AUDIT

Appendix 1 Management Action Plan

Finding	Recommendation	Priority (H/M/L)	Management Response	Accountable Officer	Implementation Date
Testing highlighted a small number of instances for journeys undertaken to represent the Council at outside bodies. It is our understanding that these expenses may be claimed from the outside body where there are resources available to do so. For example where a Member is a school governor the school may have a policy to pay expenses.	Members appointed to outside bodies to represent the Council should claim expenses directly with that body where there is a provision to do so. Member guidance should be updated to reflect this recommendation.	M	This recommendation is accepted	Peter Sass	By the end of March 2012
Review and Approval					
Testing of all Members' expense claims paid between April 2011 and November 2011 identified 28 instances where claims had been paid that were beyond the four month limit.	No claims should be paid if the date of the expense incurred is outside the agreed time scale in accordance with Regulation 14 of the Local Authorities (Members' Allowances) (England) Regulations 2003 and with the Councils' Constitution.	M	This recommendation is accepted	Peter Sass – Head of Democratic Services	By the end of March 2012
Review and Approval					

KENT AUDIT

Appendix 1 Management Action Plan

Finding	Recommendation	Priority (H/M/L)	Management Response	Accountable Officer	Implementation Date
At the time of the audit in January 2012, officers in the Member Service Desk were spot checking claims that had already been processed and paid for November 2011. The officer responsible advised that due to resourcing issues the claims were often difficult to verify prior to payment.	Expenses should not be processed until they have been through the spot checking process. Resource should be made available so that claims can be reviewed with sufficient time to verify and still enable the expense payment to be processed by the cut off date as indicated on KNet.	M	This recommendation is accepted, although it is suggested that the detailed spot checking of claim forms should involve a different, randomly selected 10 % sample of all claims submitted each month	Peter Sass – Head of Democratic Services	By the end of March 2012
Monitoring and Reporting					
Currently Members expenses are published yearly, breaking down types of expenses and allowances claimed. Senior officers' expenses are published more frequently.	Consideration should be given to publish details of Members' expenses more frequently to provide greater transparency.	L	The Selection and Member Services Committee will be asked if they agree a variation to the statutory requirement to publish details of allowances and expenses annually	Peter Sass – Head of Democratic Services	By the end of March 2012

Assurance Level	Definition
Full	The controls evaluated are well designed, appropriate in scope and applied consistently and effectively. Any issues identified are minor in nature and should not prevent objectives being achieved.
Substantial	The controls evaluated are generally well designed, appropriate in scope and applied consistently and effectively, but weaknesses have been identified that require management attention. These issues increase the possibility that objectives may not be achieved.
Limited	Some controls evaluated are generally well designed, appropriate in scope and applied consistently and effectively. However, issues of poor design, gaps in coverage or inconsistent or ineffective implementation have been identified that require immediate management attention. The issues identified, if unresolved, mean that objectives may not be achieved.
No Assurance	Expected controls are absent, or where evaluated are flawed in design, scope or application. The auditor is unable to form a view as to whether objectives will be achieved.

OR:

Opinion	Definition
Compliant	The area assessed meets all the requirements of the legislation, regulation, policy or other guiding documentation.
Not compliant	For the area assessed there are requirements of the legislation, regulation, policy or other guiding documentation that have not been met.*

Priority Rating		Definition
● ● ●	High	<p>Immediate management action is required to remedy a serious failure of internal control that has led, or may lead, to one or more of the following:</p> <ul style="list-style-type: none"> • Substantial loss of resources. • Serious failure to comply with legislation and / or Council Policy. • Significant reputational damage for the Council, involving national media. • Significant adverse regulatory impact, such as a national report, intervention or suspension of services.
● ●	Medium	<p>Timely management action is required to remedy weaknesses in internal control that could lead to one or more of the following:</p> <ul style="list-style-type: none"> • Loss of resources. • Failure to comply with some aspects of legislation and / or Council Policy. • Reputational damage for the Council, involving local or regional media • Adverse regulatory impact, such as loss of external ratings or negative local report.
●	Low	<p>Management action is suggested to improve the quality and/or efficiency of the control environment of the Council.</p>

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To: Selection and Member Services Committee – 14 March 2012

By: Peter Sass, Head of Democratic Services

Subject: Use of County Cars by Members

Classification: Unrestricted

Summary This report asks the Committee to consider what action it should take in regard to addressing the outstanding County Car Policy.

1. Background

1.1 The Committee considered a report on County Cars at its meeting on 13 July 2011. A copy of this report is attached at **Appendix 1**. The Committee asked for a further report on the recharge costs whenever a county car is diverted for personal business.

1.2 At the next meeting of the Committee on 12 September 2011, the Head of Democratic Services advised that following discussions with the then Acting Corporate Director of Finance and Procurement, a report would be presented to the next meeting of the Committee setting out proposals for the creation of a Renewals Fund. The Deputy Leader also confirmed that formal written advice would be provided to all Members to ensure that all costs relating to any personal use of County Cars would be paid by the Member concerned.

1.3 Production of this report has been delayed in order to await the publication of a report by the External Auditors on a complaint made by a member of the public which is expected to cover this matter. It was considered to be premature to bring forward a scheme in advance of the Council receiving the Auditor's final report. However, that report has now been received by the Council.

1.4. Members are therefore asked to agree that this Committee's consideration of the matter need not be delayed any longer and that officers should be tasked to bring forward a report to the next meeting in order to address the issues.

1.5. The Leader of the Council wrote to the Leader of the Liberal Democrat Group on 6 March 2012 as follows:

“Just for clarity, I have instructed Peter Homewood, the Chair of Selection and Member Services, to make sure after this date we have a comprehensive paper on County Cars – usage/entitlement, comparative costs etc. If necessary we will have a special meeting of Selection and Member Services before the end of April (this year).”

2. Recommendations

2.1 The Committee is invited to note the position and comment accordingly.

Peter Sass: Head of Democratic Services

Officer Contact: Andrew Tait
Democratic Services Officer (01622) 694342

By: Alex King – Deputy Leader
Peter Sass, Head of Democratic Services

To: Selection and Member Services Committee – 13 July 2011

Subject: County cars

Summary: This report invites the Committee to consider and reaffirm its policy on the use of the County car fleet.

Background

(1) Kent County Council's policy on the use of the County car fleet was last considered by this Committee in July 2005 and it is now considered an appropriate opportunity to review the policy and its operation given the changes that have taken place since 2005.

(2) The protocol agreed in 2005 in relation to the use of the County cars was as follows:

- (i) Members wishing to use the cars whilst undertaking official duties may do so in accordance with the policy adopted by Selection Committee on 22 July 2005. This specifies that any requests from Members and the Chief Executive (now Managing Director) for use of a car to assist them in carrying out their official duties will be acceded to. When making such a request, the purpose of the journey must be specified and a record of this is retained.
- (ii) Optimum use of all the fleet vehicles will be made on a daily basis, using a number of sessional drivers, based on a common-sense assessment of the relative importance of each journey. This supersedes the previous policy dated April 2002, which was based on priority users.
- (iii) If no fleet car is available, Members are asked to use their own car or train/bus wherever possible. If a Member does not have his/her own car available or easy access to train/bus services, taxis may be used to travel to the nearest appropriate railway station or bus stop. Taxis should not be used for the entire journey if train or bus can be used for a significant part of it. Subject to these guidelines, the Committee and Member Services Unit can book taxis for Members, but Members are responsible for paying the fare direct to the driver. Reimbursement of car expenses, train, bus and taxi fares should be claimed in the normal way at the end of each month.
- (iv) Cars may be made available for high status VIP visitors when it appears to the Chief Executive (now Managing Director) that it would be in the interests of the County Council to do so. Costs will normally be re-charged to the appropriate Directorate.

(3) Kent County Council has operated cars for Members' and Chief Offices' use since the 1960s. The service is available for all 84 Members to use but is provided primarily for the civic duties of the Chairman and Vice Chairman of the Council and for the work of the Leader, Deputy Leader, Leader of the Opposition, Cabinet Members and the Managing Director. Over the years, the Council has used different methods of procurement for its vehicles, i.e. by both lease and direct purchase, and has sought to reduce the cost of the service down to the absolute minimum. Continuing effort needs to be applied to reduce costs wherever possible and to make best use of what is an invaluable and value-for-money service.

(4) The service is efficient and effective, given the size of the County Council's area; the ability for senior Members and Officers to undertake confidential work whilst travelling; and the value for money achieved when two or three individuals share a car to travel to and from the same meeting, as is often the case. The service is also available for any Member who may be temporarily incapacitated and cannot drive their own car, perhaps as a result of medical treatment.

(5) The council's existing fleet comprises three 6-year old Volvo S80s and a 14-year old Volvo Estate. The three S80s were originally leased to the Council over a four-year period but were purchased by the County Council at the end of the lease period in 2009 at a total cost of £20,620. The Volvo Estate is currently worth only a few hundred pounds. There are no plans to renew any of the fleet until 2015, despite the fact that the mileage on each of the four cars exceeds 100,000. The Council expects each of its cars to do a minimum of 250,000 miles before being replaced.

(6) The total cost of providing the County car service in 2010/11 was as follows:

Vehicle repairs and maintenance	£7,063
Fuel	£9,222
Congestion Charges	£833
Drivers' costs	£34,057
Administrative costs	£13,823
Total	£64,998

(7) It forms part of the duties of one of the council's employees to ensure that economic use is made of the vehicles on a daily basis, using a number of sessional drivers, who are only paid each time they drive one of the cars on an hourly basis.

(8) In addition to the car fleet, the Members' Allowances Scheme allows Members to travel by taxi, if the use of public transport or their own vehicle is impracticable. Using a taxi for certain types of journey can be cheaper than a County car for the same journey, which is why flexibility must be maintained when supporting the travel requirements of elected Members.

Changes since the 2005 Review

(9) As indicated above, the three vehicles previously leased to the County Council have now been purchased and there are no plans to replace them until 2015. The other main change since the 2005 review is that none of the main drivers is employed permanently by KCC and are paid an hourly rate only when on duty.

Usage

(10) Whilst the service is available for all Members and Chief Officers to use, the attached **schedule** shows that the primary users of the service tend to be the Chairman of the County Council, the Leader and Deputy Leader, Cabinet Members and Managing Director. Officers in Democratic Services currently record the time that each journey takes, including waiting time, as this is the basis on which the drivers are paid. Mileage for each journey is not currently recorded.

Recommendations

(11) The Committee is invited to determine the following:

- (i) Agree that the principle of providing a car service as an efficient means of travel, given the demands on Members' and Chief Officers' time and the benefits of being able to work whilst travelling should continue and for members when incapacitated or who don't drive
- (ii) The Head of Democratic Services be requested to submit a report to this Committee on an annual basis, showing the costs incurred by Members using the County car service and taxis;
- (iii) The variable costs of the service are reduced by at least 10% by the end of March 2013.

Peter Sass
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CHAUFFEUR HOURS USED BY MEMBERS AND OFFICERS 2010-2011

Member / Officer	Chauffeur Hours Used	Chauffeur Hours @ £10 per hour
		£
Chairman - B Hayton	1223.5	12235
A King	850.0	8500
P Carter	648.0	6480
Vice Chairman - P Stockell	160.0	1600
K Lynes	66.5	665
R Marsh	64.5	645
A Bowles	47.3	473
K Kerswell - Officer	43.5	435
J London	36.0	360
R Parry	32.5	325
J Davies	28.5	285
G Wild - Officer	26.5	265
M Harrison	24.8	248
L Ridings	23.0	230
M Hill	21.5	215
P Lake	20.5	205
International Affairs - Officers	13.0	130
G Gibbens	12.5	125
T Dean	12.0	120
R Manning	11.5	115
S Hohler	8.0	80
J Simmonds	7.5	75
C Hibberd	7.0	70
C Capon	6.0	60
M Vye	2.0	20
N Chard	0.6	6
Total	3396.6	33966

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To: Selection and Member Services Committee – 14 March 2012

By: Trudy Dean, Leader of the Liberal Democrat Group
Peter Sass, Head of Democratic Services

Subject: Use of Social Media: Streaming of Questions into Committees

Classification: Unrestricted

Summary This report invites the Committee's views on extending the Council's use of technology at council meetings, with a view to introducing the use of social media to better engage with members of the public

1. Background

1.1 The County Council has embraced the use of communication technology in order to promote interest in the democratic processes and workings of local government in the County. Of particular significance in this regard is the Council's webcasting service, which has proved popular since its introduction, together with the committee management system (modern.gov), via which the Council's Forward Plan, Committee agendas and reports, Member contact details, etc, are published, maintained and available publicly via KCC's website.

1.2 Members of the Council have requested that consideration be given to providing technology that would enable questions to be raised by members of the public as Council and Committee meetings are taking place via e-mail and social networking sites such as Twitter and Facebook.

1.3 Members' attention is drawn to a resolution passed by Cabinet Scrutiny Committee on 23 September 2009, which resolved that it would ***"request that consideration is given to allowing Overview and Scrutiny Committees to introduce more innovative ways of seeking the views/evidence of service users, perhaps by involving the media and increasing technology."*** Despite this, no report has been brought forward since that date for Members' further consideration.

1.4 The County Council is currently in the process of reorganising its governance arrangements and it may be considered premature to attempt to address these issues until the technological needs can be fully assessed. Alternatively, Members may consider that this Committee's consideration of the matter need not be delayed because of this and that work by officers should be initiated without further delay to explore the options available.

1.5. The Leader of the Council wrote to the Leader of the Liberal Democrat Group on 6 March 2012 as follows:

“With regards to interacting with the public in new and innovative ways, very happy to get officers to do a discussion paper on how we might innovate and develop a new role to enable senior politicians to interact with the residents of Kent. I would again suggest this might be appropriate for the meeting before the end of April or nearest scheduled date.”

1.6 Other local authorities are already making use of this type of technology, some of whom have the same webcasting system as KCC uses, e.g. Cornwall Council, and if the Committee is minded to explore the opportunities that exist through new technology, learning from the experiences at other local authorities will be important.

2. Recommendations

2.1 The Committee is invited to note the position and recommend action accordingly.

Peter Sass: Head of Democratic Services

Officer Contact: Andrew Tait
Democratic Services Officer (01622) 694342