

### Present

Cllr Mike Band (Mayor)	Cllr Simon Inchbald
Cllr Chris Storey (Deputy Mayor)	Cllr Peter Isherwood
Cllr Brian Adams	Cllr Anna James
Cllr Andrew Bolton	Cllr Carole King
Cllr Maurice Byham	Cllr Denise Le Gal
Cllr Carole Cockburn	Cllr Denis Leigh
Cllr Kevin Deanus	Cllr Andy MacLeod
Cllr Jim Edwards	Cllr Peter Martin
Cllr Brian Ellis	Cllr Tom Martin
Cllr Patricia Ellis	Cllr David Munro
Cllr David Else	Cllr Nabeel Nasir
Cllr Jenny Else	Cllr Libby Piper
Cllr Mary Forszewska	Cllr Julia Potts
Cllr John Fraser	Cllr Sam Pritchard
Cllr Michael Goodridge	Cllr Wyatt Ramsdale
Cllr Tony Gordon-Smith	Cllr Stefan Reynolds
Cllr John Gray	Cllr David Round
Cllr Ged Hall	Cllr Richard Seaborne
Cllr Val Henry	Cllr Bob Upton
Cllr Christiaan Hesse	Cllr Ross Welland
Cllr Stephen Hill	Cllr Liz Wheatley
Cllr Mike Hodge	Cllr Nick Williams
Cllr Nicholas Holder	Cllr John Williamson
Cllr David Hunter	

### Apologies

Cllr Paddy Blagden, Cllr Pat Frost, Cllr Robert Knowles, Cllr Martin Lear, Cllr Kika Mirylees, Cllr Stephen Mulliner, Cllr Jeanette Stennett, Cllr Stewart Stennett and Cllr Simon Thornton

Prior to the commencement of the meeting, prayers were led by the Reverend Sally Davies.

#### 49 MINUTES (Agenda item 1.)

The Minutes of the Meeting of the Council held on 16 February 2016 were confirmed and signed.

#### 50 APOLOGIES FOR ABSENCE (Agenda item 2.)

Apologies for absence were received from Cllrs Paddy Blagden, Pat Frost, Robert Knowles, Martin Lear, Kika Mirylees, Stephen Mulliner, Jeanette and Stewart Stennett and Simon Thornton.

The Council agreed to send best wishes to the Leader of the Council and to his mother for a speedy recovery.

51 DECLARATIONS OF INTEREST (Agenda item 3.)

There were no interests declared under this heading.

52 MAYOR'S ANNOUNCEMENTS (Agenda item 4.)

The Mayor informed the Council that it had been a busy time over the past few months and he thanked the Deputy Mayor and past Mayor, Cllr Liz Wheatley, for attending a number of events on his behalf.

He had been involved in both Lord Lieutenant and High Sheriff's Award Ceremonies. The Dan's Fund concert had taken place which had raised over £3,000 for the charity. The Mayor thanked St Catherine's School for allowing the concert to be held in their new Concert Hall.

Former councillor Pieter Betlem had recently celebrated his 90th birthday to which the Mayor had attended and on a sad note, the Mayor and Director of Finance and Resources had also attended the funeral of former Council leader, Gillian Ferguson.

53 LOYAL ADDRESS FOR HER MAJESTY THE QUEEN'S 90TH BIRTHDAY (Agenda item 5.)

RESOLVED that the following address be sent immediately to Her Majesty the Queen in celebration of her 90th birthday on 21 April 2016:-

"May it please your Majesty,

We, the Mayor, Freeman and Citizens of the Borough of Waverley (at a Council meeting on 19 April 2016) wish to offer your Majesty our most loyal and hearty best wishes on your 90th birthday.

We hope that you enjoy the planned birthday activities this year and hope that they represent a celebration of your life, reflecting your love of the United Kingdom, dedication to the commonwealth and international affairs and your deep involvement with the Navy, Army and Air Force, together with your love of the countryside and horses..

We earnestly pray that your Majesty will enjoy good health and we look forward to your continued service in future years."

54 QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 6.)

The following questions were received from members of the public in accordance with Procedure Rule 10:

i. from Mr H Alexander of Hambledon

“In relation to the fraud that occurred in April 2014, 19 senior Conservative councillors knew of the fraud. Knowledge of the fraud was deliberately kept from all junior Conservative councillors, all Ukip councillors and all Independent councillors. The fraud was not reported in the 2013/14 Annual Financial Statements as a post balance sheet event and nor was it disclosed in the 2014/15 Annual Financial Statements, the year in which it occurred.

The Waverley Members’ Code of Conduct (“the Code”) requires that its members behave with Openness, Accountability and Integrity. This behaviour is also required of those in public life under Section 28 of the Localism Act 2011 (“the Act”). There is prima facie evidence that these requirements of the Code and the Act have been breached by the 19 senior Conservative councillors as follows:

1. Openness – by concealing the fraud from other councillors and all residents, and not disclosing it in the Annual Financials Statements, the 19 Conservative councillors have clearly breached this aspect of the Code and the Act; 2. Accountability – by concealing the fraud, the 19 Conservative councillors have prevented themselves from being held to account for their actions; 3. Integrity – the 19 Conservative councillors have shown a lack of integrity by concealing the fraud from opposition councillors. This lack of integrity is particularly serious given there was a Borough election in May 2015 and, by concealing the fraud, the Conservatives enhanced their electoral prospects.

In view of the fact that: 1. there is prima facie evidence that Councillors have broken both the Code of Conduct and the Localism Act 2011, and 2. The breach of the Code and the Act was extensive, with 19 Conservative councillors implicated, and 3. the breach of the Code and the Act has been sustained for a long period of time (more than 20 months), will the Council be ordering a full, independent and transparent investigation into the 19 councillors conduct?”

The Deputy Leader of the Council replied:-

“Thank you for the question about the fraud committed against the Council in April 2014.

I am satisfied that members acted properly and followed officer, legal and Police advice. Waverley has now publicised details of this matter as there is no longer a risk of undermining the Police investigation and the trial of the perpetrator of the fraud. Accordingly Waverley has issued a full media release on the circumstances and this was published on the Council’s website.

The Council’s Monitoring Officer has started investigating the allegations you have made about Member Conduct, and it would not be appropriate for me to comment on these at this stage.”

ii. from Mr Jerry Hyman of Farnham

“Mr Mayor. Waverley has issued a "Concluding Statement" regarding the £233,000 fraud incident. However, important questions remain regarding how the matter was dealt with.

Under the heading of “Matters relating to fraud” requiring communication, Grant Thornton’s Audit Findings Report for 2013-14 stated that, “*We have previously discussed the risk of fraud with the Audit Committee and been made aware of an external fraud affecting the Council in April 2014.*” No other information was provided.

As Members are no doubt aware, Waverley deals with numerous external fraud incidents, mostly relating to benefits fraud. Any backbencher or member of the public would assume the matter to have been of no public interest, because the nature, extent and significance of the fraud incident was completely hidden. With hindsight, many might say that it rather looks like a cover-up.

Indeed, last year’s 2014-15 Audit Findings Report states at page 15 that “*We have previously discussed the risk of fraud with the Audit Committee. We have not been made aware of any incidents in the period*”. That statement by the Auditor is clearly false.

Furthermore, at page 22 the Report, under the heading of ‘Financial Control’, the Auditor adds, “*Our review of Internal Audit’s reports identified that no significant issues were identified in respect of your key financial systems ...*”, and it goes on to say that, “*We have identified strong arrangements in place to ensure robust financial governance*”. In the circumstances, such statements by the Auditor would appear to be quite inappropriate.

Mr Mayor, there is a clear need to instil a culture of accountability and transparency at Waverley, in order that such falsehoods in the Council’s and the Auditors’ reports do not occur. What effective action could Members and the public take to ensure that standards are improved as necessary? Thank you.”

The Deputy Leader of the Council replied:-

“Thank you for your further question on the matter of the fraud. I do not accept that there has been any ‘cover-up’, or false or inappropriate statements by the Council’s external auditor, Grant Thornton, who are a leading international accountancy and audit firm.

I have covered much of the question already in my answer to Mr Alexander but in conclusion I am satisfied that appropriate action has been taken in response to this incident and that the Audit Committee has been closely monitoring this matter.”

At the conclusion of the response to the second question, it was moved in accordance with Procedure Rule 10.8 that the matter be referred to the Executive for further consideration. Upon being put to the vote, this proposal was LOST.

55 MINUTES OF THE EXECUTIVE (Agenda item 9.)

It was moved by the Vice-Chairman of the Executive, duly seconded and

RESOLVED that the Minutes of the Executive meetings held on 1 March and 5 April 2016 be approved and the recommendations contained therein adopted.

56 MINUTES OF THE LICENSING AND REGULATORY COMMITTEE (Agenda item 10.)

It was moved by the Chairman of the Committee, duly seconded and

RESOLVED that the Minutes of the Audit Committee held on 24 March 2016 be approved.

57 MINUTES OF THE AUDIT COMMITTEE (Agenda item 11.)

It was moved by the Chairman of the Committee, duly seconded and

RESOLVED that the Minutes of the Meeting of the Audit Committee held on 15 March 2016 be approved.

The meeting concluded at 8.00 p.m.

Mayor