

NEW FOREST DISTRICT COUNCIL – 23 APRIL 2007

STANDARDS COMMITTEE - FIRST ANNUAL REPORT - 2006/7

1. INTRODUCTION

Who Are We?

The current composition of the Standards Committee is as follows:-

Cllr John Hutchins (Vice-Chairman)	District Councillor
Cllr Christopher Harrison	District Councillor
Cllr Alan Rice, TD	District Councillor
Cllr Derek Tipp	District Councillor

Non-District Councillors

A T J Lander (Chairman)	Independent Representative
N J Chard	Parish/Town Council Representative
J Giltrow	Independent Representative
Mrs R Gregory	Parish/Town Council Representative

What do we do?

Briefly, the Standards Committee's work covers:-

- Codes of Conduct for Councillors and Officers
- Ethical framework for the Council
- Facilities and support for Councillors
- Members' allowances
- Public registers of Councillors' interests
- Consideration of complaints about the conduct of members (including parish members)
- Various audit arrangements

Why has the Standards Committee decided to submit an Annual Report to the Council?

Over the past 12 months in particular, the Committee has sought ways to promote its work and raise its profile, partly in response to external influences, and partly because of its members' own innovation.

Both the Standards Board nationally, and District Audit locally, have expressed the view that all Standards Committees should be more proactive and less passive.

These external views have coincided with the Committee's own course and direction over the last year or so, in the light of its members' innovation and experience.

It was felt that submission of an Annual Report to Council would serve to remind and inform people of some of the work being undertaken to promote ethical standards in the Authority, and reinforce the Committee's role, purpose and presence.

2. SUMMARY OF THE COMMITTEE'S WORK IN 2006/07

Issues dealt with by the Committee over the past year include:

- Consideration of the Annual Report of the Monitoring Officer and S.151 Officer, on the Code of Corporate Governance and Statement of Internal Control
- Consideration of the Audit Services out-turn and Audit Plan
- Complaints – Annual Review
- Monitoring relevant external forums and identifying best practice
- Dealing with allegations of failure to comply with the Code of Conduct
- Annual Monitoring and Review of the Council's ethical framework
- Looking at ways to promote Ethical Governance / Awareness
- Reviewing various issues surrounding Members' allowances and appointing a new member to the Independent Remuneration Panel
- Gaining a better understanding of LSP's and Local Area Agreements
- Responding to consultation on revision to the Code of Conduct.
- Producing an 'Ethical Bulletin' for Parish and Town Councils
- Development of the Committee's Annual Work Programme
- Agreeing a Procedure for Recruitment of Independent and Parish / Town Council Representatives
- Hosting a meeting of the Forum of Independent Members of Standards Committees
- Attendance by Independent Members, of a meeting of Planning Development Control Committee
- Arranging training for Town and Parish Councillors on the Code of Conduct

3. SELECTED HIGHLIGHTS

3.1 Monitoring Officer's and the Section 151 Officer's Annual Report on the Code of Corporate Governance, and the Council's Statement of Internal Control.

A routine but very central task is the Committee's yearly consideration of the Monitoring Officer's and the Section 151 Officer's Annual Report on the Code of Corporate Governance, and the Council's Statement of Internal Control.

Put simply, these are reports showing how well this Authority deals with a number of factors, such as

- Resources,
- Internal Management Structures
- Risk Management
- Service delivery arrangements
- Monitoring performance and effectiveness
- Complaints procedures
- How it does its strategic planning,
- How it works with other partner organisations and agencies,
- Policy Development
- Decision making structures
- Compliance with regulations, codes of conduct etc

The Annual Report on the Code of Governance showed the Council's performance and compliance against the CIPFA Code on Corporate Governance in 2005/6, and identified a number of areas for improvement.

The officers' view, which the Committee endorsed, was that the Council should be able to have confidence in the effectiveness of its own corporate governance arrangements.

Under Audit regulations, the Council has a responsibility for ensuring that its system of financial management is adequate and there is a sound system of internal control. The system of internal control is based on an ongoing process designed to identify, prioritise and manage risks associated with the implementation of the Council's policies. The Committee, having reviewed the Statement of Internal Control for the year ending 31 March 2006, concurred with the Monitoring Officer and the Head of Audit that the Council was carrying out its activities in accordance with proper practice and current regulations.

3.2 Monitoring and Review of the Council's Ethical Framework

In September 2006, the Committee received information relating to the application and review of the Council's ethical framework for 2005/06. This is the annual report giving the Committee statistical information about the Council's ethical framework, and setting out the Monitoring Officer's conclusions therefrom. It contains information relating to the 2005/06 Municipal Year about:

- (a) The public register of financial and other interests
- (b) Declarations of interest at meetings
- (c) Formal complaints about member conduct
- (d) Member training
- (e) Members' attendance at meetings
- (f) The Code of Conduct as it applies to Parish and Town Councils.

In reviewing the 2005/06 year, there were no specific trends in respect of District, Town or Parish Councillors' conduct compared to previous years, nor were there any particular areas of concern.

3.3 Dealing with allegations of failure to comply with the Code of Conduct

In 2006/7, there were several issues concerning District or Parish Councillors relating to alleged breaches of the Code of Conduct and Local Codes. In one case, a Standards Panel held a hearing and decided there had been no failure to comply with the Code, and in another the Committee accepted an Investigating Officer's finding that there was no evidence of a breach of the Code. The third complaint was dealt with externally by an ethical Standards Officer appointed by the Standards Board. The Chairman of the Committee and the Chief Executive, acting as the "Monitoring Team", also concluded that there was no evidence of a "case to answer" in relation to a complaint that a member had breached the Council's Local Planning Code.

3.4 The Work Programme

In its shift towards a more proactive mode, the Committee has developed an ongoing Annual Work Programme, together with various measures to raise its profile. The current Work Programme is attached to this report as **Appendix 1**.

3.5 Audit Functions

The Committee has over the past couple of years, taken on responsibility for a number of Audit functions, and these aspects continue to develop. The Committee undertook training on aspects of its new Audit function, before reviewing progress on the years Audit work, and the future plan. The Committee's Audit responsibilities are of course very much a part of the Corporate Governance and Internal Control disciplines already mentioned.

3.6 Independent Members Forum

The Committee receives regular reports on meetings of the Forum of Independent Members of Standards Committees. This involves approximately 40 Authorities in the Southern Region. Mr Lander and Mr Giltrow regularly attend these meetings, the most recent of which was hosted by New Forest District Council in March 2007.

3.7 Appointment of new member to serve on the Independent Remuneration Panel (Members Allowances).

The Committee is pleased to report that it has appointed Ms. Yvonne Le Brun, (Area Director, Hampshire Primary Care Trust) to the Independent Remuneration Panel. She joins Madeleine Sumsion and Christine Ames, the two other existing Remuneration Panel members. The Panel's recommendations on the Council's Scheme of Members' Allowances are reported to Council following consideration by the Standards Committee.

3.8 Gaining a better understanding of LSP's and Local Area Agreements

The Committee has investigated the extent to which the existing ethical and probity framework covered Local Area Agreements and LSP's and received presentations on the workings of these agreements and bodies.

This raised a number of ethical issues arising in this area of activity for Standards Committees to consider.

3.9 Responding to Consultation on Revision to the Code of Conduct.

The Committee has responded to a consultation document on revisions to the Code of Conduct. The Committee received a brief summary of the changes. An aspect of concern to this Council had been the way in which declarations of personal interests due to membership of another public body were required to be made at formal meetings. The proposed amendments had attempted to solve the problem of "mass declarations" by only requiring members to declare when they intended to speak at the meeting. It was debatable whether this would have a beneficial effect.

3.10 Ethical Bulletin for Parish and Town Councils.

The Committee has agreed the content of an 'Ethical Bulletin' for Parish and Town Councils. The intention was to provide a simple reminder of Do's and Don'ts in respect of probity and ethics issues. A recent liaison meeting between the District Council and Town and Parish clerks indicated the publication of the bulletin had been well received.

3.11 Agreeing a Procedure for Recruitment of Independent and Parish / Town Council Representatives

The Committee has agreed criteria and procedures for appointing Independent and Parish / Town Council Representatives to the Standards Committee. It is recommending to Council that the size of the Committee be increased to include one extra Independent and one extra parish or town council representative. In this connection, the Committee pays tribute to Cllr Mrs Scottie Gregory, the outgoing parish/town council representative for her work on the Committee.

3.12 Attendance of NFDC Planning Development Control Committee by Independent Members of Standards Committee.

As part of the Committee's Work Programme, Independent members of the Standards Committee, Mr Lander and Mr Giltrow, attended NFDC's Planning Development Control Committee (PDCC) on 14 March 2007 to observe proceedings. They have reported that the declarations of interest were being done satisfactorily, and the PDCC Chairman, was well aware of the requirements. They plan to attend another meeting of PDCC, perhaps when more controversial items were being considered.

3.13 FUTURE MEASURES TO RAISE THE PROFILE OF THE COMMITTEE

The Committee has agreed a range of initiatives to raise the profile of the Committee, some of which have been actioned and are outlined in more detail in this report:-

- That Independent members of the Committee might attend District Council meetings periodically.
- That a report be made by the Committee to full Council annually or twice per year summarising the Committee's activities.
- That Members of the Committee could attend some Parish Council meetings as observers and report back to Committee meetings on an ad hoc basis.
- Real case histories from the Standards Board website used in training sessions.
- That District and Parish Councillors be issued with a regular bulletin or basic leaflet, perhaps every 6 months, on "hot topics" or "dos and don'ts" in relation to the ethical framework / Code of Conduct issues.
- That the public be made aware in basic terms about what the Code of Conduct required of Members, and how this was carried out and monitored by Committee, so as to foster a better sense of confidence in Council governance.
- Development of a Work Programme to outline the Committee's work over the next year or so.
- In view of the identified requirements for Code of Conduct awareness, the Committee submitted an Expenditure Plan bid of £6,000 for training new and existing Parish and Town Councillors following the May 2007 elections, and this has been agreed.

4.0 CONCLUSION

In the last year, the Standards Committee has developed its role in various ways. In starting to define its own Work Programme and setting its own agenda, it is now evolving into a more self-driven Committee. It is implementing innovative ways of raising its profile and effectiveness.

It is making real efforts to make itself more visible, yet is conscious of the need to balance this against appearing over-bearing, or inhibiting good governance.

It will build on its work with its developing Audit role, and it will continue to monitor the new local structures and processes such as the LSP and LAA's, which are gaining increasing powers.

The Committee looks forward to working with the existing and new District, Parish and Town Councillors following the May elections.

Alex Lander
Chairman, New Forest District Council's Standards Committee

APPENDIX 1

STANDARDS COMMITTEE WORK PROGRAMME

1. Approve, publicise and train members on revisions to the national Code of Conduct – as soon as practicable after they are known.
2. Re-examine local codes in the light of changes to the national Code of Conduct to ascertain whether amendments are necessary – as soon as practicable.
3. Prepare and submit annual report to Council – April 2007.
4. Consider arrangements for training all members of the District Council and Town and Parish Councils.
5. Training of town and parish clerks – May 2007.
6. Reconsider local complaints procedure in conjunction with proposed new legislation (expected 2008/09) giving power to Standards Committees to sift Code of Conduct complaints.
7. September each year – item inviting submission of expenditure plan bids and/or savings.
8. Officers to draft procedure for recruiting and appointing independent members and town/parish Council members on Standards Committee, and possibly change in composition to include an additional Independent Member – April 2007.
9. To report annually on the council's compliance with the Code of Corporate Governance – summer each year.
10. Annual audit plan and annual report on work and performance of audit – annually in summer.
11. Annual complaints review for reference on to Corporate Overview Panel - annually in summer.
12. District Audit letter – annually in summer.
13. Statement of Internal Control – annually in summer.