

STANDARDS COMMITTEE - ANNUAL REPORT - 2007/8

1. INTRODUCTION

The purpose of this Annual Report is to remind and inform people of some of the work being undertaken to promote ethical standards in the Authority and in Parish and Town Councils, and to reinforce the Committee's role, purpose and presence.

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 John Ward	District Councillor
Cllr Derek Tipp	District Councillor
Alex Lander (Chairman)	Independent Member
Jerry Giltrow	Independent Member
Cllr Allan Glass	Parish/Town Council Representative
Cllr Mike Short	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 and town council members)
- Various audit and governance arrangements

2. SUMMARY OF THE COMMITTEE'S WORK IN 2007/8

Issues dealt with by the Committee in 2007/8 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 for 2006/7
- Consideration of the Audit Services out-turn report for 2006/7 and Audit Plan 2007/8
- Complaints (from public about services and employees) – Annual Review 2006/7
- Appointment of two Parish/Town Council Representatives to the Standards Committee following the quadrennial elections in May 2007

- Consideration of various issues on 'Local Filtration' of Code of Conduct Complaints
- Dealing with allegations of failure to comply with the Code of Conduct
- Annual Monitoring and Review of the Council's ethical framework
- Consideration of requests for various dispensations to Parish/Town Councillors to permit them to take part in discussion at meetings.
- Reviewing various issues surrounding Members' Allowances.
- Standards Board DVD – Viewing by Committee and dissemination to all 37 Parish and Town Councils.
- Responding to consultation on revision to the Code of Conduct.
- Producing a further issue of the 'Ethical Bulletin' for Parish and Town Councils
- Receiving and discussing minutes of meetings of the Forum of Independent Members of Standards Committees
- Consideration of Expenditure Plans
- New Code of Good Governance
- Audit Commission Annual Governance Report 2006/7

3. SELECTED HIGHLIGHTS

3.1 Recruitment of 2 Parish/Town Council Representatives to the Standards Committee

The Committee were pleased to welcome Cllr Allan Glass of Fawley Parish Council and Cllr Mike Short of Hythe and Dibden Parish Council, who joined the Standards Committee as Parish/Town Council representatives in October 2007.

An additional Parish/Town Council representative and an extra Independent member are now being sought, in anticipation of a new procedure for filtration of Code of Conduct complaints. Further details of the new filtration system are mentioned in paragraph 3.3.

3.2 Promotion of Ethical Standards

Following the quadrennial elections in May 2007, two training sessions for District Councillors on the requirements of the Code of Conduct were held. Five, two-hour sessions were held for Parish and Town Councillors at Lyndhurst, Lymington, Totton, Ringwood and Hythe. 90 Parish/Town Councillors and 10 Clerks or Deputy Clerks attended one or other of these sessions, out of a total of the then 317 Parish/Town Councillors in the District. At that time there were a number of vacancies on many local councils, which were in the process of being filled by co-option. Only 30 of the (then) 91 new Parish/Town Councillors attended training. A short training session was held, at the invitation of Fawley Parish Council, in Fawley on 20 February 2008. In addition to Fawley Parish Councillors, other Councillors from nearby parishes were invited 16 attended.

The two Independent members of the Committee, Alex Lander (Chairman) and Jerry Giltrow, attended one of the regular liaison meetings between the District Council's Corporate Management Team and Town and Parish Clerks to discuss issues surrounding the declaration of interests at meetings. As a result, advice on one particular aspect is being circulated to Town and Parish Clerks.

3.3 Local Filtration of Code of Conduct Complaints

At various stages in the year, the Committee has considered reports on the implications of regulations that change the way in which the decision as to whether a Code of Conduct complaint should be investigated. It is proposed that such decisions will be made by local standards committee members rather than the Standards Board for England ('local filtration').

The Committee has responded to a Government consultation paper on the regulations, it has participated in a local pilot of the scheme, and has now agreed a procedure for filtering at local level.

Regulations have yet to be laid before Parliament and therefore the Government has not met their initial target date of 1 April 2008 for the introduction of local filtration. It appears that the regulations will come into force in May, and it is therefore necessary to ensure that the Committee is sufficiently prepared to discharge its functions under the new requirements.

Under the new system, all Code of Conduct complaints would need to be considered by the Standards Committee or (preferably, according to the Standards Board) a sub-Committee, who would be required to decide either:-

- (a) That no action should be taken
- (b) To refer the complaint to the Standards Board, or
- (c) To refer the complaint to the Monitoring Officer for local investigation, and subsequently to be dealt with depending on whether or not a breach was found.

The Act contains provision for joint committees, or joint sub-committees, of two or more Standards Committees to be established, subject to the regulations. Joint working was likely to take time to set up.

Sub-committees would deal with 3 main functions:-

- (i) Initial filtration of complaints;
- (ii) Consideration of request by the complainant for a review of a decision (given on initial filtration) that no action should be taken;
- (iii) Hearing of a complaint following investigation

Committee Members who made an initial decision to take no further action would probably not be permitted to take part in a review of that decision. However, it seems likely that any Member who had participated in the initial filtration or the review, would not be prevented from taking part in the hearing. Given some of these limitations, the Committee considers that it has insufficient Members to cope with local filtration if joint arrangements with other authorities proved impractical. It has therefore decided to proceed, as a matter of urgency, with the recruitment of a further Independent and a further Parish Council, Member of the Committee, for which Council authority has already been given.

The Committee will shortly be receiving training on local filtration of Code of Conduct complaints, based on materials produced by the Standards Board.

The Committee has also recently recommended to the Council a proposed amended procedure for handling complaints under locally adopted Codes of Conduct.

3.4 Code of Practice for Corporate Governance: Annual Report of the Monitoring Officer and the Section 151 Officer

The Committee has considered the Monitoring Officer's and the Section 151 Officer's Annual Report on the Code of Practice on Corporate Governance for the year ended 31 March 2007. In summary, the report showed 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 detailed the Council's performance and compliance against the CIPFA Code of Corporate Governance in 2006/7, and identified 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 corporate governance arrangements.

3.5 Statement of Internal Control – 2006/7

Under Audit regulations, the Council has a responsibility for issuing a Statement of Internal Control to be incorporated into the final accounts of the Council, which the Committee is required to consider. The Statement seeks to demonstrate that the Council's business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In complying with the Statement, the Council has regard to its Internal Control, including internal Audit, the outcomes of an annual Corporate Governance Review and other management arrangements. The Committee were pleased to note that the Council had sound levels of Internal Control and there were no matters of consequence to report.

3.6 Monitoring and Review of the Council's Ethical Framework 2006/7

The Committee received an annual report relating to the ethical framework for 2006/7 and considered actions in pursuance of high ethical and probity standards. The report gave statistical information about the Council's ethical framework, and set out the Monitoring Officer's conclusions therefrom. It contains information relating to the 2006/07 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 2006/07 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.

Members were disappointed to note that 9 newly-elected District Councillors had had no formal training on this Council's Ethical Framework, and over 60 newly elected Parish or Town Councillors had not attended Code of Conduct training.

Members felt that, assuming that training led to fewer investigations of possible breaches of the Code, it was, as well as the probity benefits, financially worthwhile to invest in training.

The Committee's bid for a budget of £10,000 to meet the cost of investigations in 2008/09, proved successful but the Committee subsequently felt that £2,000 of this should be used for further training, particularly of Town and Parish Councillors. The Committee has advised the Cabinet that it was not possible to foresee the extent of any additional calls on the budget arising from the local filtration of complaints and the costs of investigations relating to alleged breaches of the Code of Conduct.

The Committee has also noted that very few notifications of changes to members' interests are reported for recording in the register and has asked that all Councillors be reminded of their obligations in this regard.

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

In 2007/8 three complaints that a Councillor had failed to comply with the Code of Conduct were referred to the Monitoring Officer for investigation. Two of these complaints related to District Councillors and one to a Parish Councillor. In one case, the Standards Panel held a hearing and decided that a Parish Councillor had failed to comply with the Code but, because there were mitigating circumstances, the sanction imposed was that the Parish Councillor should undertake Code of Conduct training. On the two other cases involving District Councillors, the Committee accepted an Investigating Officer's finding that there was no evidence of a breach of the Code.

3.8 Independent Members' Forum

The Committee continues to receive 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 attend these meetings twice a year and report to the Committee on latest developments and best practice among authorities in the Forum.

3.9 Members' Allowances

The Committee decided there was no need to convene a meeting of the Independent Remuneration Panel during the year. Although a few minor issues relating to the Scheme would benefit from consideration by the Panel, none of these was felt to be urgent.

The Committee recommended the annual the Basic, Special Responsibility, Dependent Carer's and Co-optees' Allowances embodied in the current Members' Allowances Scheme be uprated by 4.3% with effect from 1 April 2008 in line with the provisions of the Scheme that allowances be uprated annually by the % increase in the RPI (all items). As well as this it was agreed that the Scheme be amended to provide that, where members travel together on approved duties, the member using his or her motor vehicle be entitled to an additional allowance of 5p per mile per member passenger (increased from 2p per mile), from 1 April 2008.

3.10 Ethical Bulletin for Parish and Town Councils

The Committee has issued a further 'Ethical Bulletin' for Parish and Town Councils. The bulletin included:

- (1) Introducing the new Parish Council representatives on the Committee;
- (2) The need for an annual reminder about the need to keep their Register of Interests up to date;
- (3) A reminder to members to reflect carefully on the need to disclose interests.

4. CONCLUSION

The Standards Committee has continued to pursue measures to ensure high ethical and probity standards in the district.

The Committee will shortly be reviewing its Work Programme for the new Municipal Year, which will include items such as: building on its work with its Audit role, keeping abreast of changes in good governance arrangements, monitoring the new local structures and processes such as the LSP and LAA's as they develop, and continuing with visits to Parish and District Council meetings as part of its monitoring role.

As yet, the additional workload passed down from the Standards Board for filtering Code of Conduct complaints at local level is unknown, but there will inevitably be an increase in workload for Committee members in terms of sub-committee work. We look forward to the challenge of the new filtering arrangements, perhaps eventually working in tandem with other authorities.

We are grateful for the help of our new Parish/Town Council representatives Allan Glass and Mike Short, and look forward to appointing a new Parish and new Independent Member in the coming months.

My thanks go to all my fellow Committee members, and to the officers for their work over the past year.

Cllr A T J Lander
Chairman, New Forest District Council's Standards Committee