

STANDARDS COMMITTEE - ANNUAL REPORT – 2008/09**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
Mrs Scottie Gregory	Independent Member
Cllr Allan Glass	Parish/Town Council Representative
Cllr Mike Short	Parish/Town Council Representative
Cllr Mark Steele	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 2008/09

Issues dealt with by the Committee in 2008/09 include:

- Establishment and operation of the Assessment Sub-Committee, Review Sub-Committee, and Consideration and Hearings Sub-Committee
- Appointment of one Town/Parish Council Representative and one Independent Member to serve on the Committee
- Consideration of various Audit and Governance Reports and the Committee's role as Audit Committee
- Consideration of Complaints – Annual Review 2007/08
- Programme of visits to Town and Parish Councils
- Consideration and monitoring and review of the Council's Ethical Framework 2007/08

- Consideration of Standards Committees – Standards Board guidance on local assessment of complaints
- Consideration of requests for various dispensations to Parish/Town Councillors to permit them to take part in discussion at meetings
- Commissioning a survey about public awareness of the ethical agenda for Councillors with the Citizens' Panel and Young People's Panel
- Consideration of Members' Allowances 2009/10
- Consideration of various proposals to raise both the Committee's profile and greater awareness of ethical standards and related issues
- Dealing with allegations of failure to comply with the Code of Conduct

3. SELECTED HIGHLIGHTS

3.1 Recruitment of Additional Members

The Committee were pleased to welcome Mrs Rosemary (Scottie) Gregory as a new Independent Member, and Cllr Mark Steele who sits on both Ringwood Town Council and Bransgore Parish Council as a Parish/Town Council Representative who joined the Standards Committee in May 2008. The recruitment of these additional members was necessary following the transfer to local Standards Committees of responsibility for filtering complaints and deciding whether investigations were needed.

3.2 Dealing with Allegations of Failure to Comply with the Code of Conduct

In 2008/09 the following number of meetings were held to deal with allegations of failure to comply with the Code of Conduct:-

7 meetings of the Assessment Sub-Committee
 2 meetings of the Review Sub-Committee
 2 meetings of the Consideration and Hearings Sub-Committee

Whilst these figures are comparable with other authorities, the resource requirement in terms of officer time and other costs are not insignificant. The Committee has been considering a number of pro-active measures to minimise complaints which are mentioned later in the report.

3.3 Annual Audit and Inspection Letter – 2006/07

The Committee considered the Audit Commission's Annual Audit and Inspection Letter for 2006/07. It was noted that the Council had made good progress in implementing its own priorities, with the majority of key objectives being achieved, and had performed well within its Use of Resources. When it was reported to the Committee in May 2008, the Council had demonstrated an improvement in two thirds of its key performance indicators, half of which were in the highest quartile in national comparisons.

3.4 Audit Services – Out-turn Report for Financial Year 2007/08

The Committee noted that Audit Services had had a successful year and although there was some slippage against the Annual Audit Plan, it met all its significant targets. Whilst a number of issues and recommendations were made as a result of the audit process, they were not significant and confirmed that the Council's internal control processes were sound.

3.5 Audit Services – Audit Plan 2008/09

The Committee approved the Council's summary Audit Plan for 2008/09. The purpose of the Plan was to give coverage of the Council's functions and systems to provide adequate assurance of its financial arrangements, internal controls and governance arrangements.

3.6 Code of Practice for Good Governance – Annual Report of the Monitoring Officer and Section 151 Officer for the Financial Year 2007/08

The Standards Committee had been given delegated authority for the adoption of a Code of Good Governance, and monitoring compliance on behalf of the Council. A new Code of Good Governance, modelled on the framework recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Chief Executives (SOLACE) was approved by the Committee on 28 March 2008 for and on behalf of the Council.

The Monitoring Officer and the Head of Audit had carried out a joint review of the arrangements in place, against the adopted Code of Good Governance. The Committee noted the outcomes of the review for the financial year ending 31 March 2008, which provided evidence of compliance and identified areas for improvement together with a plan to address these. The Committee approved the Action Plan to address the issues identified in the report.

3.7 Annual Governance Statement 2007/08

The Annual Governance Statement subsumed the previous requirement for a Statement of Internal Control. Whilst it still includes a measure of the effectiveness of the Council's internal controls, it now contains a wider review of governance arrangements. Members noted this new format and the increased scope of governance statement, and the areas where improvement needed to be made in the forthcoming year.

3.8 Audit and Inspection Plan 2008/09

The Committee considered the Audit Commission's Audit Plan for 2008/09.

Given the considerable amount of audit-related work undertaken and reported to the Committee, the Chairman wished to place on record his thanks to Mr Cranston, Audit Manager and his team for all their work throughout the year. Also at the May 2008 meeting (when all the audit reports were annually brought to the Committee), the Chairman paid tribute to Mrs Pat Higgins, Assistant Director (Financial Services) who left the Authority in June 2008, and had over the years worked in depth with the Committee on audit matters.

3.9 Complaints – Annual Review 2007/08

The Committee considered the Annual Complaints report for 2007/08, which contained statistical information setting out the way complaints were dealt with against particular targets, and learning points for the future. The Council had been committed to thorough investigation of complaints and resolution of justified complaints for many years. This had included an Annual Report to the Standards Committee and the Corporate Overview Panel. The Committee agreed that the Council's complaints procedure continued to provide a robust system for investigating and resolving of complaints, and officers would continue to work towards improving the way they were dealt with.

3.10 Risk Management Update and Training

The Committee received an overview of Risk Management and the work being undertaken to ensure the effectiveness of the Council's Risk Management arrangements. Mr Phil Coley, Zurich Municipal, gave an overview of the risk management and benefits for New Forest District Council which were:-

- Better management
- Improved business planning
- Achievement of objectives
- Better appraisal of options
- A focus on financial priorities
- Demonstrable improvement and a less risk-averse organisation

The Risk Management Strategy was recently agreed by the Cabinet.

3.11 Visits to Parish and Town Councils

As an initiative to promote ethical standards amongst the Parish and Town Councils, the Committee has embarked on visits to all of the Parish and Town Councils in the District.

Throughout 2008/09, individual members of the Committee, accompanied by an officer, attended 23 Parish and Town Council meetings to observe the proceedings. The visits are continuing.

The purpose of the visits has principally been to observe whether the Code of Conduct was being complied with in terms of the declaration of interests, and whether meetings are conducted in an appropriate manner. Overall the feedback is positive with meetings being generally well run and controlled. There have been some concerns about the declaration of interests and these have been highlighted in bulletins issued to the Town and Parish Councils. Further training on the Code is to be provided to Town and Parish Councils.

3.12 Monitoring and review of the Council's Ethical Framework 2007/08

The Committee received statistical information relating to Council's Ethical Framework and considered any actions required thereon. It contained information relating to the 2007/08 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 applied to Parish and Town Councils

When the Committee received the report in September 2008, members noted that the majority of Parish and Town Councillors had had no specialist training on the revised (2007) Codes' requirements, although training was offered to all in May 2007. As mentioned in paragraph 3.11, two additional training sessions are to be provided.

The Committee feels that these should be targeted at Clerks, although attendance by Members who have not yet attended training is also considered essential.

3.13 Standards Committees and Local Assessment of Complaints – Standards Board Guidance

Members considered various issues affecting the operation of the Committee, flowing from guidance on the introduction of the Standards Committee (England) Regulations, in May 2008. The guidance had been issued under the following headings:-

- (a) The role and makeup of Standards Committees
- (b) The local assessment of complaints and Standards Committee determinations.

These regulations led to the previous Hearings Sub-Committee being renamed the Consideration and Hearings Sub-Committee, and its terms of reference were amended so that it could undertake the initial (pre-hearing) consideration of investigator's reports. The Committee also accepted proposed additions to the assessment criteria where no action would be taken on a particular complaint. It was agreed that the Committee would be kept informed of the outcomes of the Consideration and Hearing Sub-Committee meetings, by receiving information on whether the complaint related to a District or Parish/Town Councillor, and if the latter, the Parish or Town Council involved and the basic details of the allegation. The name of the councillor will not be revealed.

The Committee's Audit Role

Recent Standards Board guidance presumed that Councils would have separate Standards Committees and Audit Committees with discreet roles and responsibilities, with clear distinctions in their terms of reference. Members saw no need to change the current arrangements whereby the Committee also fulfils the role of the Council's Audit Committee. The Council agreed that the Committee continues to perform the functions of the Audit Committee.

It was noted that the District Auditor had, in recent years accepted the arrangements at NFDC whereby the audit function was performed by the Standards Committee. The Committee would be advised if this situation changed. The Committee is aware that its workload is growing in terms of the Ethical Framework role, and this will continue to be monitored.

Other proposed changes arising from the new guidance were accepted.

3.14 Consultations on Amendments to the Code of Conduct

The Committee responded to a consultation document from the Department of Communities and Local Government (DCLG) on proposed amendments to the Code of Conduct and the introduction of a Code of Conduct for Employees. The consultation period ended on 24 December 2008, and it is anticipated that the revisions to the Code would be implemented in time for the local elections in May or June 2009.

3.15 Corporate Consultations – Citizens’ Panel and Young People’s Panel

The Committee has asked that the Citizens’ Panel and Young People’s Panel be surveyed about public awareness of the ethical agenda for councillors, standards that councillors should adhere to, and awareness of the procedure to complain about councillors. The results of the survey will be reported the Committee in due course.

3.16 Members’ Allowances 2009/10

Whilst the basic, special responsibility, dependent carers’ and co-optees’ allowances embodied in the current Members’ Allowances Scheme were, according to the provisions of the Scheme, due to be uprated by 4% (the increase in RPI embodied in the scheme) with effect from 1 April 2009, the Committee recommended that the Council considered carefully the current global financial circumstances before agreeing the allowances to apply from 1 April 2009. The Council subsequently agreed to freeze members’ allowances at 2008/09 levels.

3.17 The Effective Standards Committee – Promoting Higher Standards

The Committee has considered various proposals to raise both the Committee’s profile and greater awareness of ethical standards and related issues. The Audit Commission and the Standards Board are continually promoting ever higher standards to be attained by councils to demonstrate that they were performing well.

The Committee has reviewed its current activities together with a number of possible additional actions which were being taken by the standards committees of other well performing councils, including those shortlisted for 2009 LGC Standards and Ethics Award.

A number of initiatives have been identified for future action, including regular visits to the full range of Council, Committee and Panel meetings by Independent Members.

Training for District Councillors is to be provided once the alterations to the Code of Conduct have been published (expected in May/June).

4. CONCLUSION

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

The Committee will continue to visit Parish and Town Council meetings as part of its monitoring role, and, as mentioned, will extend this to include Cabinet, Committee and Panel meetings of the District Council.

The Committee and officers will be looking at new and innovative ways to raise awareness of ethical standards, both by learning from best practice and acting on initiatives suggested by members and officers.

Dealing with the meetings of the Assessment Sub-Committee, and the Consideration and Hearings Sub-Committee in 2008/09, concerning alleged breaches of the Code of Conduct has made for a busy year for the Committee.

Further training of Parish and Town Councillors, as well as District Councillors is planned in the near future, and a survey among members and officers of the District Council is being undertaken to gauge awareness of the Code of Conduct and related issues. It is hoped that these measures, in particular the training, will go some way towards reducing the incidence of complaints and the costs of dealing with them. All members are encouraged to attend the training sessions.

Work will also be undertaken to produce clearer, more accessible guidance in various forms to aid members from all authorities in the District to better understand the ethical standards required of them.

I believe the Committee is progressing and developing well in meeting the challenges and also ensuring continuous improvement.

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

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