

NEW FOREST DISTRICT COUNCIL – 19 APRIL 2010

STANDARDS COMMITTEE – ANNUAL REPORT – 2009/10

1. INTRODUCTION

The purpose of this Annual Report is to inform members of some of the work 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
Mr Alex Lander (Chairman)	Independent Member
Mr 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
- 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
- Granting dispensations to councillors (including Parish and Town Councillors)

The Code of Conduct

One of the principal tools of good governance is the Councillor's Code of Conduct, which the Standards Committee oversees, as well as ensuring members comply with it.

All Councillors, when acting as Councillors, are obliged to follow a Code of Conduct based on ten general principles of holding public office. These are: selflessness, honesty and integrity, objectivity, accountability, openness, personal judgement, respect for others, upholding the law, stewardship, and leadership.

Some specific duties Councillors have under the Code are

- Not to discriminate unlawfully;
- To treat others with respect;
- Not to bully anyone;
- Not to do anything to affect the impartiality of employees;
- Not to use their position improperly to their own or someone else's advantage, or disadvantage;
- To declare personal interests at meetings;
- To leave a meeting where they have an interest in the matter being discussed that is so significant it is likely to affect their judgement (known as a "prejudicial interest");
- Not to do anything improperly to influence a matter in which they have a prejudicial interest.

A full copy of the Code of Conduct is available on the Council's website www.newforest.gov.uk [Code of Conduct for Council Members](#). Parish and Town Councils have adopted the same or similar Codes.

2. SUMMARY OF THE COMMITTEE'S WORK IN 2009/10

Issues dealt with by the Committee in 2009/10 included:

- Consideration of various Audit and Governance Reports
- Consideration of the Annual Review of complaints 2008/09 (these are not complaints against Councillors under the Code of Conduct)
- Continued programme of visits to Town and Parish Councils
- Monitoring and review of the Council's Ethical Framework 2008/09
- Review of procedures for the Local Assessment of complaints
- Consideration of requests for various dispensations to Parish/Town Councillors to permit them to take part in discussion at meetings
- Analysing results of surveys about public awareness of the ethical agenda for Councillors with the Citizens' Panel and Young People's Panel
- Consideration of the report of the Independent Remuneration Panel on Members' Allowances.
- Dealing with allegations of failure to comply with the Code of Conduct

3. SELECTED HIGHLIGHTS

3.1 Visits to Parish and Town Councils

The Committee has continued its initiative to promote ethical standards amongst the Parish and Town Councils. Individual members of the Committee, accompanied by an officer, have attended parish/town council meetings.

The Committee sees these visits as a valuable way of raising its profile and ethical standards generally. Feedback from these visits has been positive. However, there continues to be some lack of clarity about the way in which interests should be declared and recorded by Parish and Town Councils. All Parish and Town Councillors have in the course of the year been provided with a credit card sized aide memoire giving a quick guide to personal and prejudicial interests.

Two training sessions for Parish and Town Councillors and Clerks have been organised for 30 March and 24 June. There has been an encouraging take -up to date.

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

Between May 2009 and April 2010 the following number of meetings were held to deal with complaints about alleged breaches of the Code of Conduct. (The numbers in brackets show the number of working days within which an initial decision on each individual case was reached. Standards for England guidance is that Standards Committees should aim to reach these initial decisions within 20 working days).

5 Meetings of the Assessment Sub-Committee:

- **11 May 2009** – Referred to Monitoring Officer for other action (18 working days)
- **23 June 2009** – No Action – no evidence of breach (16 working days)
- **4 September 2009** – Referred for Investigation (14 working days)
- **4 September 2009** – Referred for Investigation (13 working days)
(Both 4 September 2009 complaints were 2 separate complaints about a similar matter)
- **21 October 2009** – No action – no breach found (18 working days)
- **27 November 2009** – Referred to Monitoring Officer for Other Action (15 working days)
- **12 October 2009** – No action – No evidence of breach (17 working days)

1 Meeting of the Review Sub-Committee – Assessment Sub-Committee
Decision of 21 October 2009 upheld (14 working days)

2 Meetings of the Consideration and Hearings Sub-Committee – breach found on one complaint but not the other.

3.3 Monitoring and Review of the Council's Ethical Framework 2008/09

The Committee considered the Annual review of the Council's Ethical Framework. 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

3.4 Ethical Standards – Survey of Members and Officers

The Committee had commissioned an electronic survey of Council members and employees on issues surrounding ethical standards. The surveys were undertaken during 2009 and 2010.

The member survey issued in February 2010 resulted in an 83% return.

The Committee agreed a number of proposed action points arising from the survey, including:

- The need for guidance notes on Register of Interest forms to be updated and re-issued;
- Asking political Group “whips” to remind their members at group meetings of the need to regularly review their Register entries.
- Bringing parts of the Local Code for Member/Officer Relations to members’ attention.
- Requesting that an e-learning presentation on ethical governance and the Committee’s role be prepared for the Council’s Intranet and drawn to the attention of employees.

The survey highlighted a gap in member knowledge about how to raise concerns about poor conduct by officers. Guidance on this has now been circulated to all members. A breakdown of the full results has also been circulated to all members.

3.5 Citizens’ Panel Survey – November 2009 – Councillor Ethics and Standards

The Committee commissioned a survey to assess public awareness of the ethical agenda and related issues. The survey found that there was a fair amount of knowledge within the Citizens’ Panel about the Committee’s work, although as the Citizens’ Panel was ‘self-selecting’, it could not be regarded as a good indication of public awareness. The Committee is arranging an article to appear in New Forest Today, with the aim of raising residents’ awareness of the Committee’s work.

3.6 Members’ Allowances 2010/11-2014/15 – Report of the Independent Remuneration Panel

The Committee has appointed, convened and considered the report of the Independent Remuneration Panel which met over two days to review the District Council’s Members’ Allowances Scheme. The Panel comprised of Dr Declan Hall, Mrs Christine Ames and Ms Susie Bonfield.

The Panel was last convened in 2005 and recommendations made then included an annual index linking of allowances until 2009/10, after which the Panel had to be reconvened. The Panel met in November 2009, and made recommendations which included a new form of index linking (linked to local government employees’ national pay award annual percentage increase) and some minor adjustments to certain Special Responsibility Allowances. The allowance of £40 for hearings held under the Licensing Act 2003 was discontinued, and amendments were made to the Dependent Carer’s Allowance.

The Committee felt the research undertaken and the evidence presented by the Panel were sound and that the recommendations for amendments to the Scheme were practical and realistic. The Committee recommended to the Council that all the recommendations of the Independent Remuneration Panel be adopted. The Council agreed all recommendations and the new scheme came into operation on 1 April 2010.

3.7 Code of Conduct Complaints – Review of Procedures

The Committee has reviewed the existing procedures and criteria for the local assessment of complaints. Changes to criteria were agreed in the light of suggestions made at Assessment Sub-Committee meetings that it might be useful to adopt additional criteria. The Committee recommended, and the Council subsequently agreed, that no steps be taken to form a Joint Standards Committee arrangement with another authority at the present time.

3.8 Local Code for Councillors and Officers Dealing with Planning Matters

The Committee recommended and the Council subsequently agreed, revisions to the Local Code for Councillors and Officers Dealing with Planning Matters. The revised Code has also been considered by the Planning Development Control Committee. The Monitoring Officer and the Head of Planning and Transportation were arranging training on the Local Code for members involved in making decisions on planning.

3.9 Audit Issues

The Committee has continued to pursue its Audit functions and has had a number of meetings at which the District Auditor has attended. Council officers, particularly Internal Audit and Accountancy, work very closely with the Audit Commission, primarily on audit and governance issues.

3.10 Joint Meeting with Final Accounts Committee

The Committee held a joint meeting with the Final Accounts Committee, which featured Audit Commission reports on the Council's Use of Resources, the Annual Governance Report, and on Sports Hall Floors.

The Council's Use of Resources set out the District Auditor's conclusions on how well New Forest District Council was managing and using its resources to deliver value for money and better and sustainable outcomes for local people. It also gave scored judgments on the new use of resources themes, which were:-

Managing Finances (scored judgment : 3 (performs well))
Governing the Business (scored judgment : 3 (performs well))
Managing Resources (scored judgment : 2 performs adequately))

The Committee noted that the required standards had been raised this year. 4's in the scoring system were pretty rare, and an overall score of 3 meant the Council was performing well. Overall, the Council was among the higher-performing district councils. A score of 2 for "Managing Resources" was based on workforce planning, and this performance was not out of line with district councils generally.

The District Auditor advised the Committee that it would not be proportionate for the Council to devote resources specifically towards improving this score; unitary and County Councils had greater capacity to direct the resources required to achieve the higher scores.

The joint meeting noted the District Auditor's letter to the Chief Executive on procurement and Court action issues relating to the sports hall floors. The District Auditor was satisfied with the Council's response on specifying for works, risk assessments for continuing with Court action, and member involvement. It was recognised that the Council had implemented its own action plan and the District Auditor would monitor progress with this.

3.11 Audit Commission Presentation

The Committee has received a presentation from the Audit Commission on the following matters:-

- Comprehensive Area Assessment
- Local implementation of the Assessment
- Annual Audit and Inspection Letter 2007/08
- Annual Audit and inspection fees 2009/10
- Joint Working Protocol – Internal and External Audit 2009/10

The District Auditor felt NFDC had a lot to be proud of and was in the top group of high-performing District Councils.

3.12 Code of Good Governance: Annual Report of the Monitoring Officer and Audit Manager 2008/09

The Committee has received the results of the review conducted on behalf of the Monitoring Officer and the Audit Manager on compliance with the Council's Code of Good Governance for the financial year 2008/09, together with an Action Plan to address various issues identified in the report.

3.13 Protecting the Public Purse – Local Government Fighting Fraud

The Committee has received a summary of the Audit Commission's guidance to local authorities on fraud prevention and discussed the Council's response to it. The Council had largely addressed the items in the guidance checklist, and was in addition pursuing many other issues over and above these requirements. Some of the current activities and issues being dealt with by the Council's Audit Service include:-

- Joint working and sharing data with certain agencies on combating fraud
- Recent successful prosecutions of major benefit fraud
- Publicity of anti-fraud mechanisms and outcomes
- Fraud investigation policy
- 3 day stop and search exercise
- Proceeds of crime investigations

The Committee would review progress on the checklist periodically.

3.14 Other Audit Work

The Committee has also dealt with the following audit reports over the year:-

- Audit Services: Out-Turn Report for Financial Year 2008/09
- Audit Services: Audit Plan 2009/10
- Annual Governance Statement 2008/09 and progress against Action Plan
- Draft Audit Opinion Plan 2009/10

3.15 Requests for Dispensations

The Committee has considered and approved requests for dispensations from Breamore and Marchwood Parish Councils.

3.16 Complaints – Annual Review 2008/09

The Committee considered the Annual Complaints Report for 2008/09. The Council will continue to learn from complaints to help improve services and minimise similar complaints arising in the future.

4. CHAIRMAN'S COMMENTS

This has been an interesting and demanding year for the Committee. The work arising from Code of Conduct complaints whilst comparable with other authorities, has continued and we will focus more on reducing the need for such complaints, by increasing awareness of the Committee's activities and by our visits and training sessions. I was pleased with the Independent Remuneration Panel's report and the way they conducted their review, and I hope the new scheme will stand us in good stead for the next 4 years. The Audit Commission's welcome presence is increasingly felt, both at formal meetings and behind the scenes working with our officers, to ensure the best possible governance standards are attained by this Authority. My thanks go to all Committee members and officers for their support and hard work throughout the year.

A T J Lander

Chairman, New Forest District Council's Standards Committee