

Standards Committee

A meeting of Standards Committee was held on Thursday, 22nd June, 2006.

Present: Mr F W Hayes (Independent Chairman) Cllr P Baker, Cllr Mrs J Beaumont, Mr T Bowman, Mrs E Chapman, Mr L W Hedley, Mrs F Robinson, Cllr A B L Sherris, Cllr N Teasdale

Officers: D.E. Bond, M. Waggott, J. McGeeney, M. Henderson (LD); B. Simpson (R)

Also in attendance:

Apologies: Cllr Fletcher

334 Minutes of the meeting held on 25th May 2006

The minutes of the meeting held on 25th May 2006 were confirmed as a correct record.

335 Statement of Internal Control Report 2005/2006

The Committee considered a report that presented the Council's Statement of Internal Control for 2005/2006.

Members were informed that the Accounts and Audit Regulations 2003 required all authorities in England to conduct a review at least once a year of the effectiveness of its systems of internal control and include a Statement of Internal Control within their Statement of Accounts. The deadline for completion of the Statement of Accounts for 2005/06 was 30th June 2006.

A draft Statement of Internal Control was provided to the Committee and officers detailed the assurance framework and the control environment that was in place within the Council. It was explained that the Council had not identified any significant issues that were not being addressed within the statement.

The Committee were asked to consider the report and comment/raise any issues. These would be reported to the Audit Committee at its meeting on 29th June 2006 when it would finalise the statement and approve it.

Members considered the statement and indicated that they had no issues.

RESOLVED that the report be noted.

336 Internal Audit Annual Report 2005/06

Consideration was given to Internal Audit's annual report 2005/2006. The report provided Members with details of the Audit Service's performance during 2004/2005. The overall performance of the Service was summarised as follows:-

88% of planned work achieved against a target of 93%, however 25 ad hoc audits had been undertaken (this had been higher than normal)
High percentage acceptance of recommendations (99.8%);
Satisfactory management satisfaction survey ratings (4.40 out of a possible 5);

Satisfactory annual report from External Auditor;
ISO9001 (2000 standard) accreditation retained;

The annual report also detailed how the Internal Audit Section had “added value” to the Council’s activities. Members were provided with information under the following headings.

- Audit Methodology
- Quality and Quantity Issues
- Audit Opinion Statement

With regard to the Audit Opinion Statement Members noted that the Council had an adequate and effective internal control environment. However, a number of audit reports had identified weaknesses in monitoring the effectiveness of controls that had been put in place. This had been evidenced by the increase in the number of ad hoc investigations and associated findings. Senior management had recognized this point and were taking steps to rectify it.

Additionally the following appendices were considered

- A – Key Performance Indicators
- B – Operational Performance
- C – Details of Audits by Department
- D – Analysis of recommendations into priorities and categories by Department

With regard to Appendix D Members noted that during 2005/06 only 5 recommendations out of 837 had been classified as being of fundamental significance. The Chief Internal Auditor provided details of the recommendations concerned.

RESOLVED that the Internal Audit Annual Report 2005/06 be noted.

337 Learning and Development Strategy for Members

Members considered a report that detailed the progress of the current Member Learning and Development Strategy and future options for Member Learning and Development.

Since the development of the Strategy in 2002, the IDeA and Regions had developed a Charter, based on ‘The Accreditation Good Practice Guidelines for Member Learning and Development.’ The guidelines were represented in the NE Charter which consisted of 5 criteria.:-

Criterion 1: Being fully committed to developing Elected Members in order to achieve the council’s aims and objectives.

Criterion 2: Adopting a member led strategic approach to Elected Member development.

Criterion 3: Having a member learning and development plan in place that clearly identifies the difference development activities will make.

Criterion 4: Seeing that learning and development is effective in building capacity.

Criterion 5: Addressing wider development matters to promote work-life balance and citizenship.

It was explained that there were five key stages in working towards the North East Charter for Elected Member Development, these were:-

- Stage 1 – Signing up to the Charter and Action Plan
- Stage 2 – Improving the development of Elected Members
- Stage 3 – Assessment
- Stage 4 – Awarding the Charter
- Stage 5 – Re-assessment

In order to gain accreditation, under the Charter the Council would incur costs of £850, which equated to all associated external support and assessment fees. Costs associated with delivery of the action plan would need to be assessed upon approval. The timescale for achieving accreditation was estimated at 18 months and would be firmed up on production and approval of the action plan.

Members were informed that should the recommendation be approved by Council, then the next steps were as follows:-

- Development of action plan to achieve accredited status in consultation with Member Champion, CMT, Map, Standards Committee, Cabinet and Council
- Delivery of action plan
- Assessment
- Accreditation
- On-going review and evaluation in preparation for re-assessment

RESOLVED that the Committee supports signing up for the North East Charter for Elected Member Development and the next steps towards implementation.

338 Corporate Governance

Consideration was given to a report that provided the Committee with the latest information on progress in relation to the Council's agreed corporate governance plan.

Members were reminded that, at previous meetings the Committee had been provided with details of the Council's Code of Corporate Governance and the practical steps being taken or required to be taken to comply with best practice guidance published by CIPFA and SOLACE.

The Committee had also been kept apprised of progress against the Authority's agreed action plan. The revised Plan was circulated at the meeting and it included comments on progress against required action as at April 2006.

A review of the Council's approach to Corporate Governance was undertaken in 2004. The main part of the review included a second self-assessment exercise against the CIPFA/SOLACE guidance using the Audit Commission tool. (The first self-assessment having been undertaken in May 2002).

The review found that only minor changes to the self-assessment were required

and a revised Action Plan was drawn up to reflect this.

Further monitoring of these arrangements had taken place within the context of the CPA process and a further review was taking place through the work of the Officer Corporate Governance Working Group.

Further reports would continue to be presented to future Committee meetings together with updates regarding the review referred to at paragraph 5 of the report.

RESOLVED that the report and action plan be received.

339 The Monitoring Officer's Annual Report 2005/06

In accordance with discussions at the Committee's previous meeting each Member of the Committee was provided with a draft copy of the Monitoring Officer's Annual Report for the Municipal Year 2005/06, for consideration and comment to inform the final version.

The purpose of the Report was not only to provide an overview of the work of the Monitoring Officer in the past year, but also to identify and promote examples of best practice and to provide an opportunity to review and learn from experience. The Report therefore, set out the Monitoring Officer's statutory responsibilities summarised how those duties had been discharged during 2005/06 in accordance with the Council's Constitution, legislative requirements and relevant Government guidance and drew attention to those issues that would require attention in the year ahead.

It was explained that consultation was currently ongoing, regarding the draft, with other officers, the Deputy Leader (as relevant Cabinet Member), the Head of Legal Services as Deputy Monitoring Officer, the Head of Democratic Services; the Corporate Management Team (including the Chief Executive as Head of Paid Service and the Corporate Director of Resources as Section 151 Officer) and the Corporate Governance Working Group which included the Chief Internal Auditor.

Subject to the outcome of this consultation, and the Standards Committee's comments, it was proposed that the Director of Law and Democracy be given delegated authority to finalise the Report, in consultation with the Chair of the Committee.

The finalised Report would then be brought to the attention of all Members of the Council and would also be placed on the intranet and internet. In addition a copy would be provided for each member of the Standards Committee for information.

Members discussed the draft report and provided the Monitoring Officer with comments.

The Committee thanked the Director of Law and Democracy for the excellent work he had undertaken as Monitoring Officer and the invaluable support he had provided to this Committee during 2005/06, and continued to provide.

RESOLVED that:-

1.the Committee' comments be noted.

2.the Director of Law and Democracy be authorized to finalise the Annual Report,in consultation with the Chair of the Committee, following the conclusion of the consultation specified in the Committee report; and

3.that the final version of the Annual Report is brought to the attention of all Members of the Council and that copies are made available to each Member of the Standards Committee for information.

340 Information/Discussion Items

The Committee received and considered the following information:-

- Standards Board – Case Alert 1, May 2006.
- Standards Board advise on freemasonry and registering interests under the Code of Conduct.
- Weightmans – Freemasonry, prejudicial interests and bias
- Members with prejudicial interests who submit written representations to their Authorities – Guidance for Officers and Members.
- Standards Board Bulletin – No 29

RESOLVED that the information be noted.

341 Standards Committee Forward Plan 2005/07

The Committee were provided with an updated version of the Committee's Forward Plan for 2005/2007.

RESOLVED that the plan be agreed.