

## Standards Committee

A meeting of Standards Committee was held on Friday, 22nd June, 2007.

**Present:** Mr F.W.Hayes (Chairman); Cllr Andrew Sherris (Vice Chairman); Cllr Ian Dalgarno, Cllr Mohammed Javed, Cllr Julia Roberts (vice Councillor Fletcher); Mr T.Bowman (Parish Representative); Mrs E.Chapman (Independent Member); Mr L.W. Hedley (Parish Representative); Mrs F.Robinson (Independent Member).

**Officers:** D.E.Bond, N.Hart (LD); I.Jones (R).

**Also in attendance:** No other persons in attendance

**Apologies:** Councillors Baker and Fletcher

### **S**      **Declarations of Interest**

**3/07**

There were no Declarations of Interest recorded.

RESOLVED that this be noted.

### **S**      **Internal Audit Annual Report 2006/2007**

**4/07**

Consideration was given to the annual Audit Opinion Statement as to the perceived quality of the Council's overall control environment.

The report also advised members of the work carried out on 14 audits within the remit of the Committee during the year 2006/07.

It was noted that Internal Audit carried out an independent appraisal function, established by the Council, to objectively examine, evaluate and report on the adequacy of internal controls. This role ensured that there was proper economic, efficient and effective use of resources and that the Council had adequate accounting records and control systems. The process was underpinned by complying with the core assurance standards of:

- Corporate Governance,
- Financial management,
- Risk management, and
- Openness and transparency.

It was the Chief Internal Auditor's opinion, from the audit work undertaken, that the Council had an adequate and, overall, an effective internal control environment, upon which it could place reasonable reliance to deliver the systems' objectives or detect fraud or other malpractice within a reasonable period of time.

RESOLVED that the report of performance be noted.

### **S**      **Annual Statement of Internal Control 2006/07**

**5/07**

Consideration was given to the Council's Statement of Internal Control for 2006/2007.

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 2006/07 was 30th June 2007. The Statement of Accounts and the Statement of Internal Control would be presented for approval to the Audit Committee on the 28th June, 2007.

The Statement of Internal Control included an acknowledgement of responsibility for ensuring there was a sound system of control and an indication of the level of assurance that the system of internal control provided. The statement also included a description of the key elements forming the control environment, a description of the process applied in reviewing the effectiveness of the system and an outline of the actions taken or, proposed to be taken, to deal with significant internal control issues.

At this time the Council had not identified any significant issues that were not being addressed within the Statement. The Audit Commission, the Council's external auditors, had been consulted on the process and the identification of key internal control issues.

RESOLVED that the report be noted.

**S  
6/07**      **Annual Report of the Standards Committee**

Consideration was given to the final version of the Standards Committee Annual Report for 2006/2007.

A draft of the Committee's Annual Report for 2006/07 had previously been approved with finalisation of the document to be carried out in consultation with the Chair. This had now been done and, where appropriate, comments from the consultation process on the report (with the then Deputy Leader (as relevant Cabinet Member and proposed ethics Champion in the Executive), Head of Legal Services (Deputy Monitoring Officer), the Head of Democratic Services, the Corporate Governance Group and the Corporate Management Team), had been incorporated into what was now the final version of the document. Further minor additions regarding committee membership and the work programme, would however be added.

The Annual Report would, in due course, be brought to the attention of all Members of the Council by means of reports to the Audit Committee; Cabinet and full Council (to be presented by the Chair of the Standards Committee and by the Monitoring Officer). It would also be placed on the Council's intranet and internet systems.

RESOLVED that the final version of the Standards Committee Annual Report for 2006/2007 be received, subject to the minor additions identified.

**S  
7/07**      **Annual Report of Monitoring Officer 2006/2007**

Consideration was given to a draft of the Monitoring Officer Report for Stockton, relating to the municipal year 2006/07.

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 outlined the Monitoring Officer's statutory responsibilities (which were set to increase), summarised how these duties had been discharged during 2006/07 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.

Consultation was currently ongoing regarding the draft with other officers, the 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 be placed on the Council's Intranet and Internet systems; and a copy would be provided for each member of the Standards Committee for information.

RESOLVED that:-

- 1.The Committee notes the content of the draft Annual Report.
- 2.The Director of Law and Democracy be authorized to finalise the report, in consultation with the Chair of the Committee, following the conclusion of the consultation specified in the report.
3. The final version of the Annual Report be brought to the attention of all Members of the Council and be also brought back to a future meeting of the Standards Committee for information.

**S**            **Study into the Operation and Role of Standards Committees within Local**  
**8/07**        **Authorities**

Consideration was given to a report presenting details of surveys undertaken by the Standards Board into the arrangements within Local Authorities regarding the operation and role of Standards Committees.

This research had been undertaken against a backdrop of legislative change, with authorities becoming increasingly more responsible for regulating the conduct of members within their authority, and a move towards local ownership of the ethical framework. Two surveys had been undertaken; one targeted at Monitoring Officers within local authorities, the other at Members of Standards Committees. The focus of the research incorporated several strands, including:

- Training delivered and future training demand;

- Role of Monitoring Officers and Members of Standards Committees, and how these are perceived by other people within their authorities;
- Local investigations and hearings, and the level of confidence that authorities approach these with.

There was a response rate of 68% amongst Monitoring Officers and 46% amongst members of Standards Committees. It was noted however that the Board could not be certain how many of the 2,847 questionnaires sent to Monitoring Officers were actually distributed to standards committee members. Therefore, the reported response rate of 46% was unadjusted, and was likely to be an under estimate of the actual response rate. Within the standards committee sample, 76% of authorities were represented, with one or more members having returned a questionnaire.

Members were provided with summary details from the study report of the surveys of Monitoring Officers and Members of Standards Committees; as well as details of the comparison of Monitoring Officers and Standards Committee responses, together with conclusions. The full report was accessible at <http://www.standardsboard.gov.uk/Aboutus/Research/filedownload,5718,en.pdf>

RESOLVED that the report be noted.

**S**  
**9/07**      **Annual Report of the Committee on Standards in Public Life 2006**

Consideration was given to details of the annual report of the Committee on Standards in Public Life.

The full report could be found on the Committee on Standards in Public Life website [www.public-standards.gov.uk](http://www.public-standards.gov.uk) .

RESOLVED that the report be noted.

**S**  
**10/07**      **Local Determinations**

Consideration was given to a report providing the Committee with details of Adjudication Panel decisions regarding appeals from Standards Committee decisions.

The Committee were invited to consider the decisions in order to learn from the way other Standards Committees had handled misconduct allegations and from the procedural irregularities which had been highlighted by the Adjudication Panel.

RESOLVED that the report be noted.

**S**  
**11/07**      **Information Items**

The Committee received and considered the following information:-

1. Local Government Bill - Ethical Standards
2. Audit Commission KLOE - Use of Resources

3. Protected Disclosures - Pinsent Masons Article
4. Interim Chair of the Committee on Standards in Public Life
5. Letter from the Standards Board for England
6. Commentaries on the new model code of conduct

RESOLVED that the information be noted.

**S**  
**12/07**

**Standards Committee Forward Plan 2006/2008**

The Committee was provided with an updated version of the Committee's Forward Plan for 2006/2008.

RESOLVED that the plan be noted.