

STANDARDS COMMITTEE

**Venue: Town Hall, Moorgate
Street, Rotherham. S60
2TH**

Date: Thursday, 9 June 2011

Time: 2.00 p.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
3. Minutes of the previous Meeting held on 14th April, 2011 (herewith) (Pages 1 - 4)
4. Annual Governance Statement 2010/11 (report herewith) (Pages 5 - 21)
5. Draft Annual Report 2011 (herewith) (Pages 22 - 34)
6. Parish Compact/Questionnaire - For discussion

STANDARDS COMMITTEE
Thursday, 14th April, 2011

Present:- Mr. M. Andrew (in the Chair); Councillors Austen, Buckley and Gilding; Mrs. A. Bingham, Mr. P. Edler, Ms. J. Porter and Mr. N. Sykes and Councillors D. Bates and J. Sharman (Parish Councils' Representatives)

Apologies for absence were received from Mr. I. Daines, Mr. D. Foster and Dr G. Musson

B36 COUNCILLOR JANE AUSTEN

The Chairman reported that this was Councillor Austen's last meeting of the Committee following her decision not to seek re-election to the Council.

Resolved:- That Councillor Austen be thanked for her excellent service to the Standards Committee and she be wished all the very best for the future.

B37 MINUTES

Resolved:- That the minutes of the meeting of the Committee held on 10th February, 2011 be approved as a correct record.

B38 MAINTAINING HIGH ETHICAL STANDARDS IN LOCAL GOVERNMENT

Richard Waller, Non-Contentious Team Manager, presented the submitted paper from Local Government Improvement and Development and the Association of Council Secretaries and Solicitors summarising the proposals contained within the Localism Bill and outlining those provisions available to authorities to call upon.

The paper covered the following:-

- Summary of changes proposed in the Bill
- The Nolan Principles
- Fiduciary Duty of Councillors
- Registering Interests
- Civil Law
- Equalities and Discrimination Law
- Criminal Law
- Electoral Offences
- Audit Commission for Local Authorities
- Local Government Ombudsman
- Bias, Predisposition and Predetermination

Resolved:- That the information be noted.

B39 FUTURE OF THE STANDARDS COMMITTEE

Further to Minute No. B27 of the meeting of this Committee held on 13th January, 2011, Richard Waller, Non-Contentious Team Manager, presented the submitted report by the Assistant Chief Executive, Legal and Democratic Services regarding future arrangements within the Council should the Localism Bill be adopted in substantially its present form.

The report focused on:

- repeal of the Model Code of Conduct and option for councils to adopt a voluntary code of conduct which could cover some or all of the following areas that would otherwise be left unregulated:
 - Breach of equalities
 - Bullying
 - Compromising impartiality of staff
 - Refusal of access to information
 - Misuse of position for personal advantage
 - Misuse of council resources
 - Have regard to advice

- repeal of requirement to establish a standards committee and option of retaining a standards committee on a voluntary basis to deal with the continued duty to promote and maintain high standards of conduct by members and co-opted members of the Authority

Also submitted were the Committee's current terms of reference with commentary on how each of them would be affected by the changes proposed in the Bill and the original terms of reference adopted by the Standards Committee, which was established by the Council on a voluntary basis prior to this becoming a statutory requirement under the provisions of the Local Government Act 2000.

Discussion and a question and answer session ensued and the following issues were covered:-

- need to adopt some form of code to set out required standards of conduct
- basis of any code and need for consistency amongst standards committees
- need to retain a standards committee
- future composition of a retained standards committee
- potential for a sub regional approach

- arrangements for dealing with allegations/issues of conduct should a voluntary code be adopted
- concerns regarding town/parish councils in the area not wishing to adopt a voluntary code and deal with issues of conduct
- level of sanction available to a responsible authority

(1) Recommended:- (a) That a Standards Committee continue to be appointed by the Council.

(b) That the Council adopt a voluntary Code of Conduct at the appropriate time.

(2) Resolved:- (a) That a further report be submitted on the proposed content of such a voluntary code.

(b) That a further report be submitted upon the suggested composition of a voluntary Standards Committee and its terms of reference, once the likely final provisions of the Localism Bill and proposed regulations regarding Members' interests becomes clearer.

(c) That any comments on this matter be forwarded to the Assistant Chief Executive, Legal and Democratic Services by 1st June, 2011.

B40 WORK PROGRAMME

The Committee noted the latest position

B41 EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 2 and 3 of Part I of Schedule 12A to the Local Government Act 1972 (information relating to the identity of an individual and business affairs)

B42 REFERRAL UNDER CONFIDENTIAL REPORTING CODE

Further to Minute No. B34 (4) of the meeting of this Committee held on 10th February, 2011, Colin Earl, Director of Internal Audit and Governance, presented the submitted report detailing the circumstances of an investigation undertaken into allegations received under the Confidential Reporting Code.

Also submitted were:-

- Internal Audit investigation report and recommendations
- Comments from the directorate concerned
- Action plan resulting from the investigation

The Committee noted that allegations had been received, the allegations had

been investigated, action had been taken where necessary and recommendations had been made and manager briefings reinforced to mitigate future risks. The Committee welcomed that the 'whistleblowing' policy had worked well in this case.

Resolved:- (1) That the information be noted.

(2) That the policy be reviewed further to identify any potential improvements.

ROTHERHAM BOROUGH COUNCIL – REPORT TO STANDARDS COMMITTEE
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1.	Meeting:	Standards Committee
2.	Date:	9 June 2011
3.	Title:	Annual Governance Statement 2010/11
4.	Directorate:	Financial Services

5 Summary:

The attached draft Annual Governance Statement for 2010/11 outlines the Council's view of the application of good governance standards in Rotherham MBC. The overall position is positive, with progress being made on the significant issues raised in last year's Statement. There are no additional items added following this year's review.

Proper practice requires the Leader of the Council and the Chief Executive to sign the statement prior to its publication with the Statement of Accounts, in September 2011. Cabinet should consider and agree the Statement before it is signed by the Leader and Chief Executive.

6 Recommendations

Standards Committee is asked:

- **To note the 2010/11 draft Annual Governance Statement**
- **To note that the draft Statement was presented to the Audit Committee on 1 June 2011 for review**
- **To note that, subject to any changes resulting from the Audit Committee meeting, the statement should be presented to Cabinet for consideration and agreement**
- **To note the requirement for the Leader and the Chief Executive to sign the statement after its agreement by Cabinet and prior to the publication of accounts in September 2011.**

7 Proposals and Details

7.1 General principles

The Accounts and Audit Regulations 2011 require local authorities to:

“conduct a review at least once in a year of the effectiveness of its system of internal control” (Reg 4(2)), and

“following the review, the body or committee must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control” (Reg 4(3)).

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

In discharging these responsibilities, the Council must ensure that there is good governance and a sound system of internal control in place, which facilitate the effective exercise of the Council’s functions and which include arrangements for the management of risk.

The Council’s governance arrangements in place during 2010/11 have been reviewed and an Annual Governance Statement (AGS) has been drafted and is attached to this report at **Appendix A**.

7.2 Procedure

The AGS outlines the Council’s view of the application of good governance and internal control in Rotherham MBC in 2010/11.

‘Proper practice’ requires the Leader and the Chief Executive to sign the statement to confirm their satisfaction with the governance framework and the procedures for reviewing it, and their acceptance of the significant issues highlighted in the statement, along with actions for tackling the issues raised. This should be done prior to the final approval of the Statement by the Audit Committee and the publication of the Statement in September 2011. Cabinet should consider and agree the Statement before it is signed by the Leader and Chief Executive.

Additionally, in common with last year, the Audit Committee will see the draft AGS in June 2011 to enable the Committee to carry out a review of the Statement and supporting evidence, including Cabinet Members’ and Strategic Directors’ statements of assurance.

7.3 Structure of the Annual Governance Statement

The attached AGS is laid out in accordance with proper practice as set out by CIPFA. There are 5 sections:

- Section 1: Scope of the Council's responsibility
- Section 2: Purpose of the Governance Framework
- Section 3: The Council's Governance Framework which identifies the governance arrangements in place at the Council
- Section 4: Review of effectiveness. This looks at the process that has been applied in maintaining and reviewing the effectiveness of the governance framework
- Section 5: Significant governance issues. These are the main issues that require improving.

Sections 1 and 2 are standard and replicate the CIPFA 'model' AGS. Sections 3 and 4 highlight the governance arrangements in place at Rotherham (Section 3) and how they have operated during the year (Section 4). Section 5 highlights the significant issues arising this year and provides an update on the significant items reported in 2009/10.

The Strategic Leadership Team's attention is drawn particularly to Section 5 of the AGS.

7.4 Significant governance issues

The overall position is positive, with the review confirming that the Council has appropriate internal control arrangements in place and that the arrangements were found to be operating satisfactorily during 2010/11.

Progress is being made on the significant issues raised in last year's Statement and there are no additional items added following this year's review. Below is an extract from the Section 5 of the Statement, covering these items:

5.2.1 Children and Young People's Service

During June 2010, the Children and Young People's Service was projecting a significant overspend on Out of Authority placements for Looked after Children. An internal review identified areas where improvements could be made in the processes for managing placements and controlling costs. During the remainder of the year the service implemented revised processes. These will need to be effectively applied to show that the anticipated improvements are being achieved.

5.2.2 Swinton Community School

A 2009/10 internal audit of the Swinton Community School raised concerns regarding the financial planning and monitoring at the School, which had accumulated an unexpected deficit of £712,000 by March 2010. The deficit has increased to over £800,000 in 2010/11. Joint management of the situation by the Council's Finance and Children and Young People's Directorates and the School has now been put in place to manage the deficit.

5.2.3 2010 Rotherham Ltd

2010 Rotherham Ltd has existed since 2005 to manage the Council's housing stock and deliver the £280m decent homes programme of improvements to council houses in Rotherham. During its life, 2010 Rotherham Ltd has accumulated a significant financial deficit. The Council has recently made a decision to dissolve the company and re-integrate services into the Council. The Council has established plans for managing any deficit that will transfer to the Council on the company's dissolution. The Council is also ensuring there will be appropriate arrangements in place for the effective financial management of the services returning to the Council.

7.5 Review and monitoring

The Corporate Governance Group and Audit Committee will monitor progress on actions to improve areas included in the 2010/11 statement and will review the effectiveness of governance arrangements during 2011/12.

8 Finance

There are no direct financial implications. Any financial implications arising from any future development of internal controls would feature in subsequent reports to Members.

9 Risks & Uncertainties

Failure to apply sound internal controls and good governance places the Council at greater risk of fraud and/or error. The Council could also suffer significant reputation damage caused by any actual incidences arising out of weaknesses in its arrangements.

Failure to produce an Annual Governance Statement would leave the Council subject to criticism by the external auditor and potential action by the Department for Communities and Local Government.

10 Policy & Performance Agenda Implications

Good Governance is wholly related to the achievement of the objectives in the Council's Corporate Plan.

11 Background and Consultation

This report has been informed by the views of the Strategic Director of Finance, the Assistant Chief Executives, the Director of Audit and Governance and the External Auditor.

Following consideration by SLT the draft Annual Governance Statement will be considered by Audit Committee on 1 June 2011 and Cabinet on 22 June 2011.

Following consideration and agreement by Cabinet the Chief Executive and the Council's Leader will be asked to sign the statement to signify Cabinet's agreement to it, before the statement is published as a final document in September 2011.

Contact Names:

Colin Earl, Director of Audit and Governance, Ext 22033

Rob Houghton, Governance and Risk Manager, Ext 54424

Appendix A

Annual Governance Statement 2010/11

APPENDIX A

ROTHERHAM MBC ANNUAL GOVERNANCE STATEMENT 2010/11

1 SCOPE OF RESPONSIBILITY

Rotherham Metropolitan Borough Council is responsible for ensuring that its 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. Rotherham Metropolitan Borough Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Rotherham Metropolitan Borough Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code is on our website at www.rotherham.gov.uk or can be obtained from **Colin Earl on 01709 822033**. This statement explains how Rotherham Metropolitan Borough Council has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2011 in relation to the publication of an Annual Governance Statement.

2 THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Rotherham Metropolitan Borough Council policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Rotherham Metropolitan Borough Council for the year ended 31 March 2011 and up to the date of approval of the Statement of Accounts

3 THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the Council's governance arrangements include arrangements for:

3.1 Identifying and communicating the Council's vision of its purpose and intended outcomes for citizens and service users

The Council and its partners have worked together to develop a vision and community strategy for the Borough which will steer progress over the next 10 years.

To deliver improved quality of life and services that meet local needs, the Council works with a range of partners within the Local Strategic Partnership members including local businesses, South Yorkshire Police, Voluntary & Community Sectors, and the National Health Service.

The Local Strategic Partnership has reviewed its priorities and governance arrangements, the purpose of the review being to ensure that the LSPs priorities and arrangements remain relevant and robust in line with current government requirements.

3.2 Reviewing the Council's vision and its implications for the Council's governance arrangements

The Council periodically updates its vision, objectives and performance targets by reviewing the Community Strategy, Corporate Plan and Local Area Agreement. Progress on key priorities is monitored and reported to Members on a regular basis.

3.3 Measuring the quality of services for users, for ensuring they are delivered in accordance with the Council's objectives and for ensuring that they represent the best use of resources.

The Council's performance management and financial management frameworks are linked through the Medium Term Financial Strategy (MTFS).

The Council has responded to the Government's consultation process on the Single Data Set identifying which indicators are most relevant to Rotherham. The Council's performance management system is linked to corporate priorities and reports are aligned to corporate plan priorities.

3.4 Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication

The Council operates what is known as the "strong leader" model of local government following changes arising from the Local Government and Public Involvement in Health Act 2007.

The Council's Constitution sets out how the Council operates regarding how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. The Constitution sets out the basic rules governing the manner in which the Council conducts its business.

The Constitution includes a Scheme of Delegation whereby functions and decision-making responsibilities are allocated between the full Council, the Cabinet, individual Cabinet Members, regulatory boards and committees and officers.

The Council has a Member/officer protocol which has been provided to all Members of the Council and forms an appendix to the Officer Code of Conduct. The protocol encourages the effective transaction of business by setting out the respective roles of Members and officers and guidelines for good working relationships between them.

The Council publishes a Forward Plan which contains details of key decisions to be made by the Cabinet, and Chief Officers under their delegated powers.

3.5 Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff

The Localism Bill, expected to receive Royal Assent in 2011, contains proposals to abolish the Standards for England regime. Councils will no longer be required to have a local standards committee and the national code of conduct for elected members being dispensed with.

However, local authorities will be free, should they choose, to establish voluntary standards committees and be free to adopt their own, voluntary code of conduct should they so wish. The Council has decided to proceed with these options and is currently awaiting the final details for the Localism Bill to be released

The Standards Committee currently comprises of Councillors and external Members. It is cross-party and has 15 members comprising of:

- 4 Borough Councillors (2 Labour and 2 Conservative)
- 8 Independent Members (Chair and Vice - Chair)
- 3 Parish Councillors

3.6 Reviewing and updating Standing Orders, Financial Regulations, a scheme of delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls required to manage risks

The financial management of the Council is conducted in accordance with the rules set out in the Constitution, Standing Orders and Financial Regulations. The Council has designated the Strategic Director of Finance as the officer responsible for the proper administration of the Council's financial affairs in accordance with Section 151 of the Local Government Act 1972.

The Council has in place a 3-year Medium Term Financial Strategy, updated annually, to support the medium-term aims of the Corporate Plan.

The Council is required to set a budget in line with its objectives which is both balanced and sustainable, and takes account of advice given by the Strategic Director of Finance on the appropriateness of the level of the Council's reserves following an assessment of the risks inherent within the proposed budget. Once the budget has been agreed each service area monitors and manages its spending and income to remain within the allocated budget.

Asset management planning optimises the utilisation of assets in terms of service benefits and financial return.

The Council has a robust system for identifying, evaluating and managing all significant risks. The Council maintains and reviews a register of its corporate business risks linking them to strategic objectives and assigning ownership for each risk. All service plans identify risks which service directors are actively managing.

3.7 Ensuring that the Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)

The Council's Chief Financial Officer:

- Is a key member of Leadership team, helping it to develop and implement strategy and resource to deliver the Council's strategic objectives sustainably and in the public interest
- Is actively involved in and able to bring influence to bear on all material business decisions, to ensure immediate and longer term implications, opportunities and risk are fully considered, and alignment with the Council's financial strategy
- Leads the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the Chief Financial Officer:

- Leads and directs the finance function that is resourced to be fit for purpose
- Is professionally qualified and suitably experienced

3.8 Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

The Council's Audit Committee provides independent assurance of the adequacy of the audit and risk management frameworks and the associated control environment. The Audit Committee also oversees the financial reporting process and provides independent scrutiny of the Council's financial and non-financial performance.

3.9 Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Council has designated the Assistant Chief Executive - Legal and Democratic Services as Monitoring Officer. It is the function of the Monitoring officer to ensure compliance with established policies, procedures, laws and regulations.

All reports to Cabinet requiring decisions take account of a range of control factors including risks and uncertainties, financial implications, and policy and performance implications.

3.10 Whistle-blowing and for receiving and investigating complaints from the public

The Council has a Confidential Reporting code for staff and a comprehensive Complaints Procedure.

3.11 Identifying the development needs of Members and senior officers in relation to their strategic roles, supported by appropriate training

Services are delivered by trained and experienced people. All posts have a detailed job description and person specification. Training needs are identified through the Performance and Development Review Scheme. Individuals' targets are derived from service and team plans. The Council has a partnership with Leeds Metropolitan University for the provision of bespoke and accredited management training.

Induction courses and e-learning packages are available for new Members and officers. A comprehensive programme of development activities (including induction) and training are specifically designed to improve the knowledge, skills and abilities of elected Members in their individual or collective roles in meeting the Council's corporate objectives. The programme is also designed to ensure that all Members are fully supported to carry out their increasingly complex roles. Members' individual development needs are identified in personal development plans.

A programme of seminars is run each year on topical governance issues for both Members and officers.

3.12 Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation

The Council entered into a range of public consultation exercises in developing the vision for Rotherham. The Corporate Plan reflects important issues identified by local communities.

Rotherham's Communications and Marketing Strategy is aimed at ensuring that citizens link continuous service improvements with the Council's core and associated brands, leading to increased satisfaction rates and enhanced reputation.

3.13 Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships and reflecting these in the authority's overall governance arrangements.

The Council has issued comprehensive guidance to Directors covering expected good practice in respect of managing the four key areas of Partnerships risk:

- Governance Arrangements
- Financial Management Arrangements
- Performance Management Arrangements
- Ethical Arrangements

The guidance was updated in January 2009 and detailed self assessments were undertaken by lead officers of significant partnerships.

4 REVIEW OF EFFECTIVENESS

Rotherham Metropolitan Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Director of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The review processes that have been applied in maintaining and reviewing the effectiveness of the governance framework are outlined below in relation to the role of:

4.1 The Executive (Council / Cabinet)

Cabinet has continued to update the Community Strategy, Corporate Plan and Local Area Agreement. The plans have been updated in line with the 2008 -11 Local Area Agreement timeframe. The Council's Policy Framework is reviewed annually.

Cabinet has considered the findings from reviews undertaken by the External Auditor and other Inspectors.

The Council has reviewed its Local Code of Corporate Governance and has paid particular attention to ensuring that the Council's financial management arrangement conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

Cabinet received regular Revenue and Capital Budget Monitoring Reports throughout the financial year. The Council responded positively to the Credit Crunch and the Economic Downturn, including making budget provision to support the response.

Cabinet receives regular progress reports on the implementation of the Local Development Framework, which that is a key driver to delivering sustainable development.

4.2 The Corporate Governance Group

Cabinet established a Corporate Governance Group to oversee the effective application of governance arrangements and to review specific corporate governance issues in detail. During the year, the group looked at:

- The Local Code of Corporate Governance
- Risk management strategy
- Corporate risk register
- Partnerships' governance
- Significant governance issues reported in the Annual Governance Statement
- Audit and inspection activity and reports.

4.3 The Strategic Leadership Team

During the past year the Strategic Leadership Team received reports regarding the management of the following good governance related issues:

<p>Vision / Strategy:</p> <ul style="list-style-type: none"> • Corporate Plan • Rotherham's Local Economic Assessment • Local Development Framework • Rotherham Partnership • Service Planning • Policy and Performance Review • 5 Year Change Agenda plan 	<p>Performance Management :</p> <ul style="list-style-type: none"> • Corporate priorities • Annual Audit Letter • Audit & Inspection recommendation monitoring • Quarterly performance reports • Government Single Data Set • Review of Policy and Performance • Scrutiny Work Programme
<p>Financial Management :</p> <ul style="list-style-type: none"> • Medium Term Financial Strategy • Suggested VFM Reviews • Revenue Budget and Council Tax for 2011/12 • 2010 Rotherham Ltd Funding Strategy • Capital Receipts and Council Tax 	<p>Risk Management :</p> <ul style="list-style-type: none"> • Risk management and Insurance Update • Information Security Policy Revision • Floods and Water Management Act 2010, Flood Risk Regulations 2009 Review • Corporate Risk Register

<ul style="list-style-type: none"> • Prudential Indicators and Treasury Management and Investment Strategy • Economic Downturn Review • Statement of Accounts • Capital and Asset Management Strategies, Plans and Programmes • Budget Proposals & action plans • Revenue Budget 	
<p>Corporate Governance :</p> <ul style="list-style-type: none"> • Annual Governance Statement • Partnerships' Governance • Local Code of Corporate Governance • Information Governance Unit • Scrutiny Review of Debt Recovery • Publication of spend over £500 	<p>Capacity and Capability :</p> <ul style="list-style-type: none"> • Sheffield City Region Leadership Programme. • Rotherham Council Workforce Issues Update • Employee Suggestion Scheme
<p>External Inspections / Reviews :</p> <ul style="list-style-type: none"> • Youth Offending Services Inspection • RMBC Notice to Improve Action Plan • Inspection of safeguarding and looked after children services 	<p>Communications and Engagement :</p> <ul style="list-style-type: none"> • Customer Feedback Annual Report • Customer Service Excellence Standard • Review of the Council's Communications and Marketing Function • Customer Services Consolidation Programme
<p>Internal Audit :</p> <ul style="list-style-type: none"> • Internal Audit Annual Report • Internal Audit Plan • Audit Committee Annual Report • Annual Review of the effectiveness of the system of Internal Audit 	<p>Commissioning / Procurement :</p> <ul style="list-style-type: none"> • Commissioning Framework • Procurement Strategy • NRF Future commissioning

4.4 The Audit Committee

During 2010/11 the Audit Committee provided independent assurance about the following good governance related issues:

<p>Internal Control, Corporate Governance & Risk Management :</p> <ul style="list-style-type: none"> • Annual Fraud Report • Risk Management Update • Localism Bill - Standards Regime • Managing the Risk of Fraud • Significant Partnerships Governance • Corporate Risk Register • RMBC Health and Safety Management Arrangements • Annual Statement of Assurance • Annual Governance Statement 	<p>Financial Management :</p> <ul style="list-style-type: none"> • Treasury Management • International Financial Reporting Standards • Requirement to Publish spend above £500 • Final Accounts Closedown • Statement of Accounts
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<p>Internal Audit :</p> <ul style="list-style-type: none"> • Internal Audit Strategy and Audit Plan • Audit Committee Workplan • Audit Committee Self Assessment • Annual Review of Internal Audit • Audit Committee Annual Report • Internal Audit Annual Report • Joint Audit Committee Activity 	<p>External Audit :</p> <ul style="list-style-type: none"> • KPMG Annual Audit Letter • Audit & Inspection Plan • Audit and Inspection recommendations update • Statement of Accounts
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4.5 Performance Scrutiny and Overview Committee

During 2010/11 the Performance and Scrutiny Overview Committee considered and reviewed the following good governance related issues:

<p>Vision / Strategy :</p> <ul style="list-style-type: none"> • Review of PE and Sport in Schools • Community Legal Advice Services • Scrutiny Review – Personal, Social, Health and Economic Education • Health Issues • Local Government Reform Implementation Plan - Direction of New Government • Rotherham Partnership Review • LTP3 Transport Strategy and Implementation Plan • Corporate Plan 	<p>Performance Management :</p> <ul style="list-style-type: none"> • RBT Performance • Payment of Invoices Within Thirty Days • Procurement Local Performance Indicators • Council Performance • Sector Self Regulation and Improvement
<p>Financial Management :</p> <ul style="list-style-type: none"> • Budget • Economic Downturn • Supporting the Local Economy • Requirement to Publish spend above £500 	<p>Risk Management :</p> <ul style="list-style-type: none"> • Corporate Risk Register • Floods and Water Management Act 2010 and Flood Risk Regulations 2009
<p>Corporate Governance :</p> <ul style="list-style-type: none"> • Local Government Reform Implementation Plan • Future of Overview and Scrutiny 	<p>Communications and Engagement :</p> <ul style="list-style-type: none"> • Equality Monitoring of Complaints
<p>Commissioning / Procurement :</p> <ul style="list-style-type: none"> • Local Performance Indicators • Procurement Strategy Action Plan 	

4.6 The Standards Committee

During the last year the Standards Committee considered and reviewed the following good governance related issues:

<p>Corporate Governance :</p> <ul style="list-style-type: none"> • Review of Local Code of Corporate Governance • Review of Complaints against Elected Members • Partnerships' Governance • Protocols for Local Authority Partnership Working • Localism Bill • Confidential Reporting Code 	<p>Capacity and Capability :</p> <ul style="list-style-type: none"> • Review of the Local Standards Framework • Standards Board for England Bulletins • Standards Committee Annual Report • Annual Return and Guidance Notes • Standards Committee Workplan
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4.7 Internal Audit

During 2010/11 Internal Audit reviewed all the Council's main financial systems, including Council Tax; Business Rates; Creditors; Payroll; Benefits; Housing Rents and Debtors. KPMG's 2010 review of the section found that the section met all eleven standards in CIPFA's code of practice for Internal Audit (see 4.9.1).

4.8 External Audit (and other external review / assurance mechanisms)

4.8.1 KPMG's review of "Internal Audit" concluded that the section was an integral part of Rotherham MBC and made a positive contribution to the overall internal control arrangements. KPMG added that Internal Audit had developed good practice in a number of areas.

4.8.2The Ofsted 2010 Inspection of "Fostering Services" concluded that 'Rotherham MBC operates a satisfactory fostering service that provides good outcomes for children in many respects. Children are well supported with their health and well consulted on the care provided for them. The authority has made a good start in involving looked after young people in the running of the authority and provides fostered children with strong support for their education'.

4.8.3The Care Quality Commission's inspection of "Safeguarding and looked after children services" concluded that the overall effectiveness of safeguarding services was adequate. Statutory requirements were met and there were recognisable improvements in safeguarding since the Government issued a Notice to Improve in December 2009. The Notice to Improve was removed in December 2010.

5 SIGNIFICANT GOVERNANCE ISSUES

5.1 Follow up on the 2009/10 significant governance issues

The significant issues raised in the 2009/10 Annual Governance Statement were:

5.1.1 Children and Young Peoples Service

The Council has worked with the DFE to produce improved performance. Confirmation of removal of the Notice to Improve was received on 13 January 2011. However, further evidence is required to provide assurance that effective budgetary controls are in place. An update of this is provided in 5.2.1.

5.1.2 Swinton Comprehensive School

Corporate working arrangements were in place to alleviate the budget deficit. There are still significant issues. These are described in 5.2.2.

5.1.3 2010 Rotherham Ltd

The in-house service provision for repairs and maintenance has been outsourced, alleviating some of the financial pressures being experienced by 2010 Rotherham Ltd. However, the current deficit and the reintegration of the service back into the council will present significant governance issues. An update is provided in 5.2.3.

5.2 Significant governance issues arising from the 2010/11 review of the effectiveness of the governance framework.

5.2.1 Children and Young Peoples Service

During June 2010, the Children and Young People's Service was projecting a significant overspend on Out of Authority placements for Looked after Children. An internal review identified areas where improvements could be made in the processes for managing placements and controlling costs. During the remainder of the year the service implemented revised processes. These will need to be effectively applied to show that the anticipated improvements are being achieved.

5.2.2 Swinton Comprehensive School

A 2009/10 internal audit of the Swinton Community School raised concerns regarding the financial planning and monitoring at the School, which had accumulated an unexpected deficit of £712,000 by March 2010. The deficit has increased to over £800,000 in 2010/11. Joint management of the situation by the Council's Finance and Children and Young People's Directorates and the School has now been put in place to manage the deficit.

5.2.2 2010 Rotherham Ltd

2010 Rotherham Ltd has existed since 2005 to manage the Council's housing stock and deliver the £280m decent homes programme of improvements to council houses in Rotherham. During its life, 2010 Rotherham Ltd has accumulated a significant financial deficit. The Council has recently made a decision to dissolve the company and re-integrate services into the Council. The

Council has established plans for managing any deficit that will transfer to the Council on the company's dissolution. The Council is also ensuring there will be appropriate arrangements in place for the effective financial management of the services returning to the Council.

6 LEADER AND CHIEF EXECUTIVE ASSURANCE STATEMENT

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed
Councillor Roger Stone, Leader, Rotherham Metropolitan Borough Council

Signed
Martin Kimber, Chief Executive, Rotherham Metropolitan Borough Council



Metropolitan Borough of Rotherham

STANDARDS COMMITTEE

ANNUAL REPORT 2011

M. Andrew, Chair
A. Bingham, Vice-Chair

STANDARDS COMMITTEE: ANNUAL REPORT 2011

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FOREWORD BY THE CHAIR OF THE STANDARDS COMMITTEE

Michael Andrew
Chair of Standards Committee

Angela Bingham
Vice-Chair of Standards Committee

(1) INTRODUCTION

The Standards Committee was established by the Council in May 1999, prior to the statutory requirements contained in the Local Government Act 2000.

The Committee has various statutory functions and additional functions conferred by the Council. One of its main responsibilities is to advise the Council and Town and Parish Councils on the Code of Conduct, monitor its operation and arrange training.

Since May 2008, the Committee has been responsible for assessing and dealing with written allegations that Members of the Borough Council or of Town and Parish Councils within the Borough are in breach of the Code of Conduct.

This report shows how the Committee has performed its functions over the last year and how it supports good governance and high standards within the Borough.

(2) MEMBERSHIP OF THE STANDARDS COMMITTEE 2010/11

The Committee comprises eight Independent Members, including the Chair and Vice-Chair, three Parish Council representatives and four Borough Councillors. Independent Members, therefore, have an overall majority.

Independent Members and Parish Council representatives are paid a co-optees allowance of £1,000 per annum. The Chair and Vice-Chair are paid respectively an additional £2,500 and £1,500 per annum.

Independent Members

Mr. M. Andrew (Chair)

Mr. Andrew has extensive experience of local government, including with the Borough Council for whom he worked until 16 years ago. He is a former Member of the Standards Committees at both the British Standards Institute and the National House Building Council. He was formerly a School Governor, and was a member of the Yorkshire Electricity Consultative Council. He is a Magistrate on the Rotherham bench.

Mrs. A. Bingham (Vice-Chair)

Mrs. Bingham currently works as a self-employed research/management consultant and is a former higher executive officer at the Telephone Managers Office in Sheffield. She has previously served on the Parochial Church Council at All Saints, Rotherham, was a Trustee of Rotherham Crossroads and acted in a voluntary capacity as a Director of Rotherham Community Resource Programme and formerly represented the voluntary sector on Rotherham's Children and Young People's Board. From November 2006-2009 she served as Chair of the Steering Committee of Risky Business. She is currently an Independent Member of the Standards Committees of West Yorkshire Police Authority, South Yorkshire Police Authority, South Yorkshire Fire and Rescue authority and South Yorkshire Integrated Transport Authority.

Mr. I. Daines

Mr Daines was an Assistant Chief Constable with South Yorkshire Police and retired in December 2006. As well as membership of this committee, he is a member of the General Social Care Council (GSCC); he chairs hearings into allegations of misconduct by social workers. The Standards Committee and the GSCC absorb about 35 days a year, leaving plenty of time to enjoy retirement.

Mr. P. E. Edler

Mr. Edler has recently retired from BT where he was Clerk of Works, having worked there for thirty years. He served on the Post Office Engineering Unions Sheffield Committee from 1982 to 1992. For four of those years he was the union's welfare officer and three years as the union's magazine editor. He was a representative for the Sheffield POEU at two POEU Conferences. Mr. Edler now works as a teaching assistant in Sheffield schools.

Mr. D. Foster

Mr. Foster is currently a business consultant specialising in all aspects of learning and development. He works with a number of organisations, in the public and private sectors, to develop assessment and feedback practice against a variety of standards. Prior to this he served as a police officer for almost 31 years reaching the rank of Inspector. He has considerable committee experience including membership of the Yorkshire and Humberside Crimestoppers Committee.

Dr. G. Musson

Dr. Musson is a senior research and teaching academic in Human Resource Management at Sheffield University Management School. She was formerly employed as an officer of the Council in a variety of roles, and as Clerk to Brinsworth Parish Council for ten years. She is a

former member of Wickersley Comprehensive School Governing Body and former Non-Executive Member of Rotherham Health Authority.

Ms. J. Porter

Ms. Porter was born and brought up in Rotherham and has recently retired, having worked in Rotherham hospitals for the previous thirty years. During that time she was a member of working groups on nursing procedures and the hospital's Standards Committee, in which role she helped to develop that service from the beginning. She is currently working in her local hospice shop part-time.

Mr. N. Sykes

Mr. Sykes was a research scientist and worked for some years for British Rail, he then became a founder director of a private sector company developing software products in the field of mechanical engineering. He is a magistrate, a lay member of the GMC and NMC Fitness to Practice Panels, Deputy Chair of the Consumer Council for Water Northern Committee and a member of the North Sheffield NHS Research Ethics Committee.

Borough Council Members (until 20th May 2011)

Councillor J. Austen

Councillor A. Buckley

Councillor J. Gilding

Councillor D. Hughes (until September 2010)

Councillor C.N. Middleton (From October 2010)

At the elections in May 2011, Councillor Austen did not seek re-election to the Council. At the Annual Council Meeting held on 20th May 2011 Councillor Hughes, who had previously been a member of the committee was appointed to take her place.

Parish Council Representatives

Councillor D. Bates - Thrybergh Parish Council

Councillor Bates is a member of Thrybergh Parish Council. He is also a Lay Member of the Sheffield Employment Tribunal and a retired school teacher.

Councillor D. Rowley – Ravenfield Parish Council (from February 2011)

Councillor J. Sharman – Aston cum Aughton Parish Council (until May 2011)

Officer Support

Advice to the Committee is provided by Tim Mumford, Assistant Chief Executive (Legal and Democratic Services) who is the Council's Monitoring Officer. The Committee is supported by Alan Harston, Principal Democratic Services Officer. Other officers attend the Committee as and when appropriate.

(3) FUNCTIONS OF THE COMMITTEE

The Council's Standards Committee's primary roles and functions are:-

- promoting and maintaining high standards of conduct by councillors and co-opted members;
- assisting councillors and co-opted members to observe the *Members' Code of Conduct*;
- advising the Council on the adoption or revision of the *Members' Code of Conduct*;
- monitoring the operation of the *Members' Code of Conduct*;
- advising, training or arranging to train councillors and co-opted members on matters relating to the *Members' Code of Conduct*;
- granting dispensations to councillors and co-opted members from requirements relating to interests in the *Members' Code of Conduct*;
- dealing with any written allegations that a member of the Council or co-opted member is in breach of the Council's Code of Conduct;
- dealing with any report from a First-tier Tribunal, and any report from the Assistant Chief Executive (Legal and Democratic Services) in his capacity as the monitoring officer or from an ethical standards officer of Standards for England.
- Performing similar functions in respect of all town and parish councils within the borough.

The Council's Standard's Committee's additional roles include:-

- preparing and reviewing protocols, local codes, advice and guidance;
- overview of the whistle-blowing policy (the *Confidential Reporting Code*);
- review of the application of *Standing Orders* and *Financial Regulations*;
- overview of complaints handling and local government ombudsman investigations;
- consideration of any reports or investigation which casts doubt on the honesty and integrity of the Council and recommending action to the Council or Cabinet.

The Council's Standards Committee's Terms of Reference are attached at Appendix 1.

(4) INFORMATION ABOUT THE CODE OF CONDUCT

This is a quick reminder of the main points of the Members' Code of Conduct and is not intended to be legal advice. The full Code of Conduct is available on the Council's website and a guide to it – entitled *The Code of Conduct: Guide for members* – is available from the Standards for England's website.

Do

- Follow the Code of Conduct when you are representing your authority.
- Be aware of what personal and prejudicial interests are – refer to the Standards Board guide if you are unsure.
- Keep your register of interests up to date.
- Treat others with respect
- Register gifts and hospitality, received in your role as a member, worth more than £25.
- Visit www.standardsforEngland.gov.uk for more information.

Don't

- Bring your authority or office into disrepute.
- Use the authority's resources for party political purposes.
- Compromise the impartiality of people who work for your authority.
- Discriminate against people on the grounds of race, gender, disability, religion or belief, sexual orientation and age.
- Bully, intimidate or attempt to intimate others.
- Use your position improperly for personal gain or to advantage your friends or close associates.
- Attend meetings or be involved in decision-making where you have a prejudicial interest – except when speaking when the general public are also allowed to do so.
- Disclose confidential information, other than in exceptional circumstances – refer to the Code of Conduct and the Standards for England guide if you are unsure.
- Prevent anyone getting information they are entitled to.

Personal and Prejudicial Interests

You have a personal interest if the issue being discussed in the meeting affects the well-being or finances of you, your family or your close associates more than most other people who live in the area affected by the issue. Personal interests are also things that relate to an interest you must register.

Prejudicial interests are personal interests that affect you, your family, or your close associates in the following ways:-

- their finances, or regulatory functions such as licensing or planning which affect them
- and which a reasonable member of the public with knowledge of the facts would believe likely to harm or impair your ability to judge the public interest

If you have a personal interest you must normally declare it in the meeting.

If the personal interest arises because of your membership of another public body, you only need to declare it if you intend to speak.

If you have both a personal and prejudicial interest you must not debate or vote on a regulatory or financial matter, but you do have the same right to speak as a member of the public.

There are exemptions to both types of interests and when they must be declared. The Monitoring Officer will advise you.

(5) WORK OF COMMITTEE 2010/11

(a) Partnership Governance

The Committee continued last years work in looking at the governance of significant partnerships in which the Council is involved. Specific consideration was given to proposals for a monitoring regime to ensure that areas for improvement were implemented and that outcomes and benefits derived from the partnerships were identified.

The committee also considered a paper from Standards for England regarding partnership behaviour protocols. They noted and approved an updated Council document entitled "Partnership Governance Compliance – Good Practice 2011", which took account of and included issues from the Standards for England protocol.

(b) Maltby Town Council – Mediation

The Committee approved the final version of the report from MESH, the mediators appointed following directions from Standards for England and the Standards Committee to provide conciliation services following a series of complaints regarding the conduct of members of Maltby Town Council. They approved publication of the report and the Vice Chair attended a meeting of Maltby Town Council at which the mediators presented the report.

(c) Ethical Audit

A Working Group appointed to consider responses to the ethical standards survey carried out in the previous year met and reported to the committee on progress regarding the action points. The Working Group included Councillor Alex Sangster, Chair of the Audit of Committee, thereby maintaining the relationship between the two committees.

Particular consideration was given to Parish Councils response to the ethical standards survey. The Working Group and the Committee considered ways of working more closely with Town and Parish Councils, including the possible adoption of a compact tool kit that had been developed jointly by Standards for England, the National Association of Local Councils and the Society of Local Council Clerks. Whilst interests in this appeared to be limited, it was felt that it would be helpful to return to this issue later this year in view of the proposals contained in the Localism Bill which is presently before parliament. If the present statutory regime were to be abolished, voluntary compact or protocol between the Committee and Town and Parish Councils might be beneficial.

The Working Group and the Committee also agreed a form of questionnaire for submission to Town and Parish Council clerks as to training currently available, with a view to identifying further support that the committee might provide. Responses to the questionnaire were considered and it was agreed to return to this matter later in the year following the Town and Parish Council elections in May.

(d) Review of Assessment Criteria

The Committee carried out a review of the local assessment criteria which it has agreed for use by assessment panels and review panels when considering allegations that members may have broken the code.

Following on from this, the Committee looked in more detail at further guidance as to when members are acting or giving the impression that they are acting as a Councillor or Council representative, which determines whether or not the code of conduct is applicable and is not always clear. They also looked in more detail at guidance on failure to treat others with respect, which is one of the most frequent allegations of breach.

(e) Review of Complaints

The committee considered a report summarising the complaints made against members of the Borough Council and Town and Parish Councils within the Borough over the last year. The report set out the breakdown of complainants, outcome of the allegations, paragraphs of the code to which the allegations referred, timeliness of decisions and cases referred to the Monitoring Officer for action other than

investigation. The report also made some comparison between local and national statistics.

(f) First Tier Tribunal

The committee considered decisions of the first tier tribunal in respect of allegations concerning a member of Bramley Parish Council and a member of Wales Parish Council. In both cases allegations had originally been made to the Standards Committee. In the former case the allegation had been referred to Standards for England for investigation and in the latter case, the matter had been referred to the tribunal following consideration of an investigation report commissioned by the Monitoring Officer.

(g) Blogging

The Committee considered guidance from Standards for England on blogging and social networking and decided that the guidance should be distributed to all Members of the Council.

(h) Confidential Reporting Code

The committee reviewed the operation of the confidential reporting code which it does on an annual basis. Consideration was given to the deliberations of the Working Group regarding the need to improve further the awareness level of the code and to discussion held at focus groups following the latest employee opinion survey. It was agreed to make some minor amendments to the code including the addition of wording to the effect that the Council had a responsibility to support anyone wishing to raise concerns under the code. Measures should then be taken to re-launch the code.

The Committee also requested a full account of one particular case which had been raised under the code. Following consideration of the report into that case the Committee felt that appropriate action to investigate the allegations and to mitigate future risks have been taken. The Committee nevertheless felt that the policy should be reviewed further to identify potential improvements.

(i) Localism Bill

Following the publication of the bill in December 2010, the Committee considered an initial report on the proposed legislation in relation to standards and a more detailed report set out in detail the significant changes that would result. It was noted that whilst it would still be a statutory requirement for a relevant authority to promote and maintain high standards of conduct by Members, the adoption of a code of conduct and the appointment of a standards committee would cease to be statutory obligations, although authorities could undertake them on a voluntary basis.

(j) Future of the Standards Committee

In view of the proposals in the Localism Bill the Committee gave consideration to future arrangements within the Council should the Bill be enacted in its present form. They noted that despite the prospective repeal of the requirement to establish a Standards Committee, the Council and Town and Parish Councils within the Borough would be under a continuing duty to promote and maintain high standards of conduct by members. They also felt that the repeal of the model code would leave many areas of conduct potentially unregulated. Accordingly the Committee has recommended that a Standards Committee continue to be appointed by the Council and that the Council should adopt a voluntary code of conduct at the present time.

(k) Other

The Committee considered various papers relating to aspects of the ethical standards framework from Standards for England and the Association of Council Secretaries and Solicitors. There was however less advisory and comparative material from Standards for England than in the previous year, no doubt in anticipation of the proposed abolition of that body.

(6) SUMMARY OF COMPLAINTS RECEIVED DURING THE YEAR

Between 22nd April 2010 and 30th April 2011, 16 allegations that Members were in breach of the Code of Conduct have been considered by Assessment Panels of the Standards Committee. This represents a considerable reduction in the number of allegations from the previous year, when 38 were considered.

Of the 16 allegations, 1 was against a member of the Borough Council and the remainder were against members either of Town or Parish Councils.

4 allegations were made by members of the public and 11 by Town or Parish Councillors. In one case the allegation was submitted by members of the public and a Councillor.

In 13 of the cases the decision of the Assessment Panel was that no action should be taken. 1 case was referred to the Monitoring Officer for investigation and 2 cases for action other than investigation.

Reviews were requested in 5 of the cases. In 4 of these the Review Panel upheld the decision of the Assessment Panel to take no further action. In the other case, the Review Panel directed the Monitoring officer to take action other than investigation.

In the case of the allegation referred for investigation by the Monitoring Officer, the investigating officer found no breach of the code and this was accepted by the Committee.

No cases were referred to Standards for England during the year. However the Committee did refer to the first tier tribunal an allegation where a local investigation had found a breach of the code. This resulted in a member of a Parish Council being suspended for the remainder of his term of office. A case referred to Standards for England during the previous year was also considered by the first tier tribunal during the year and this also resulted in a Parish Councillor being suspended, for a period of 6 months.

Paragraphs of the code which IS the complaints made during the year appeared to relate are as follows, based solely upon the allegations submitted. In many of the cases more than one paragraph of the code could potentially have been relevant.

3 (1) – you must treat others with respect – 10 cases

3 (2) (b) – you must not bully any person – 1 case

4 (a) – you must not disclose information given to you in confidence – 1 case

5 – you must not conduct yourself in a manner which could reasonably be regarded as bringing your office or the council into disrepute – 12 cases

6 (a) - you must not use or attempt to use your position as a Member improperly – 2 cases

6 (b) – you must ensure that the Council's resources are not used improperly for political purposes – 1 case

6 (c) – you must have regard to any applicable local authority code of publicity – 1 case

Paragraphs 8 – 12- failure to disclose personal / prejudicial interests – 4 cases.

This is a similar pattern to the previous year, with allegations of failure to treat to others with respect and bringing your office or the Council into disrepute being the most common.

(7) TRAINING

The Monitoring Officer presented a session for Council Managers on ethical standards and codes of conduct in November 2010.

In the week commencing 21st February 2011, the Monitoring Officer provided 3 Training sessions for Borough Councillors and Town and Parish Councillors on Training. These covered the requirements of the code of conduct, a range of examples for discussion drawn from reported cases and a look ahead to the proposals contained in the Localism Bill and their implications.

The Monitoring Officer provided induction training for newly elected members immediately following the elections in May. This covered the

requirements of the code and briefly looked ahead to possible future changes.

(8) ISSUES FOR THE YEAR AHEAD

The main issue seems sure to be how the Council will deal with standards issues if the proposals in the Localism Bill are enacted largely in their present form. If the Council adopts the recommendations of the Committee that a Standards Committee should continue to be appointed by the Council and that the Council should adopt a voluntary code of conduct at the appropriate time, then further work will need to be done both as to the composition of the Committee and its terms of reference and the content of the voluntary code of conduct. Further consideration will also need to be given to the relationship between the Borough Council and the Town and Parish Councils within the Borough. Whilst statutory jurisdiction of the Standards Committee would cease, the Town and Parish Councils would themselves be under a duty to promote and maintain high standards of conduct and may adopt a voluntary code. The Borough Council may be able to assist them with this through a voluntary Standards Committee.

The Bill also provides for the making of regulations to govern the registration and declaration of Members' interests, with potential criminal sanctions for non compliance. The implications of these regulations will need to be considered and advice and guidance given to Members.

Other areas of work for the committee over the next year are likely to include:-

- A further ethical audit survey
- A review of the member / officer protocol (outstanding from the previous year)
- A review of the planning code (postponed because of uncertainty over the future of the current code of conduct and the planning proposals contained in the localism bill)
- Further consideration of Members' web pages following the recently issued revised publicity code.
- Further monitoring of areas considered during the past year including partnership governance and the confidential reporting code.

Overall, this is likely to be not only another busy year for the Standards Committee but a year which will require the management of very considerable change.