

County Council – 24 April 2014

Recommendations from the Standards and Governance Committee meeting held on 10 April 2014

Standards and Governance Committee Report on Member Conduct for 2013

30.1 The Committee considered a report by the Monitoring Officer which included a draft report on member conduct matters for 2013. The report focused upon the importance of promoting high standards of behaviour and systems of governance so as to create a climate where complaints rarely arose.

30.2 Members were content with the report but for complete visibility and transparency reasons agreed it should be recommended to the County Council for their approval.

RECOMMENDED

31. That the Standards and Governance Committee Report on Member Conduct for 2013, including members' comments, (attached as an Annexure to these minutes) be approved.

Reason for Recommendation

32. To contribute towards the County Council's corporate aim of 'providing innovative and value for money services'.

Constitutional Changes

33.1 The Committee considered a report by the Monitoring Officer which proposed a number of changes to the County Council's Constitution which would be considered by the County Council at its meeting on 24 April 2014.

33.2 The Head of Legal and Democratic Services advised members of the proposal to disband the Public Health Overview Committee and for its terms of reference to be incorporated into those of the Adult and Community Services Overview Committee as part of its community role.

33.3 Members were not content with this move and felt that responsibility for public health overview transferring to the Adult and Community Services Overview Committee would be wrong and would detract from the vital need to concentrate key public health messages on children in their formative years. Public health was a vital new role for local authorities and there was concern that it would get lost in big agenda issues in adult social care. Members sought assurances that public health in relation to children would be highlighted at the Children's Services Overview Committee.

33.4 One member commented that in relation to governance terms he could see the strength in the scrutiny process. It was noted that the Director of Public Health and the Cabinet member for Community and Public Health supported the cessation of this committee.

33.5 The Head of Legal and Democratic Services advised of a separate issue which related to the budget performance monitoring which could not be readily split between the Adult and Children's Directorates. Members agreed there would need to be clarity around budgets and for it to be clear where accountability sat.

33.6 Members supported the cessation of the Public Health Overview Committee but wished for changes to the terms of reference of both the Children's and Adult and Community Services Overview Committees to be made. They felt this would allow for more effective scrutiny and also allow for more member engagement.

33.7 The Head of Legal and Democratic Services advised members as to the additional constitutional changes including a change to attendance by members at meetings of the Cabinet. He also confirmed that the Cabinet at their meeting on 9 April 2014 supported the recommendations in respect of the revised terms of reference for the Corporate Parenting Board.

33.8 One member noted that whilst he was content with the terms of reference in terms of governance there was an issue of the reporting mechanism with the Safeguarding Board. By embedding some of the safeguarding issues in the Corporate Parenting Board this showed a more positive move but the linkages with the Safeguarding board were not yet quite right.

RECOMMENDED

34. That the County Council be recommended to approve the following:
- (i) The cessation of the Public Health Overview Committee, but with Public Health being highlighted in both the Children's Services and Adult and Community Services Overview Committee's terms of reference;
 - (ii) That the Rules of Procedure and Members' Allowances Scheme in relation to attendance at meetings of the Cabinet be adopted;
 - (iii) The Terms of Reference of the Corporate Parenting Board be further amended to include a greater prominence on the Board's safeguarding function and the Virtual Head being listed within the Board Management.

Reason for Recommendations

35. To contribute to the corporate aim to "provide innovative and value for money services".

Introduction to Divisional Budgets

36.1 The Committee considered a report by the Director for Corporate Resources which suggested a divisional fund framework and a payment request proforma for operating divisional budgets.

36.2 Members were advised that the Cabinet, at their meeting on 9 April 2014, had agreed the principle of the introduction of divisional budget but it was for this Committee to ensure there was proper governance around how they should operate.

36.3 One member was very much opposed to the introduction of divisional budgets and spoke about his concerns at the danger of reputational damage to the County Council. Other members were content with both divisional budgets on a trial basis and the proposed rules but noted that public perception on how it was operated would be very important. There was concern that the whole process would involve a lot of administration.

36.4 One member noted that members would need clear guidance about how the process would be implemented and might need to discuss potential projects

with an officer in Democratic Services, to ensure that they were considering appropriate projects before expectations were raised or commitments given.

36.5 The Head of Legal and Democratic Services confirmed that in order to fit in with the budget preparation timetable for 2015/16 the framework for divisional budgets would need to be reviewed in November 2014.

RECOMMENDED

37. That County Council be asked to approve the divisional fund scheme rules and payment request form and flowchart, for inclusion in the County Council's Constitution.

Recommended

38. That the divisional fund and the framework for its operation be reviewed in November 2014.

Reason for Recommendation

39. To reflect the importance of the local member role and the need to become a more member led authority.

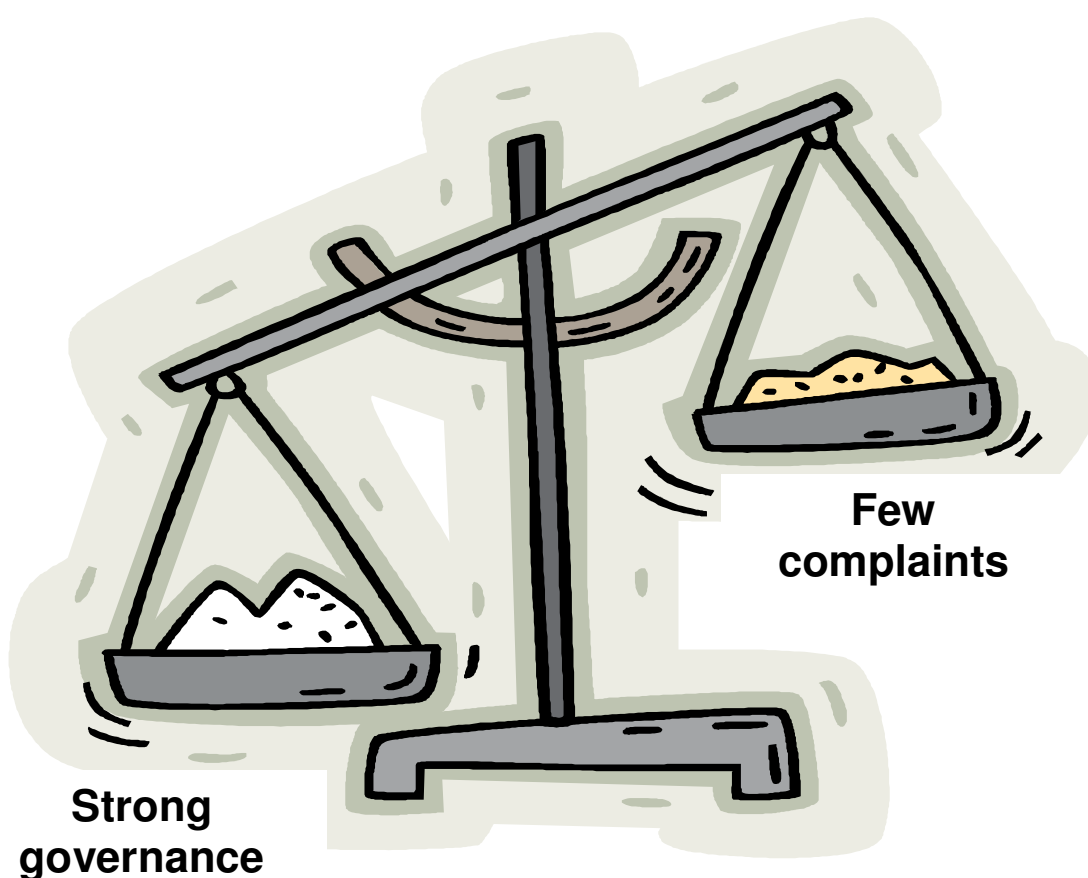
Standards & Governance Committee

Report on Member Conduct for 2013

Dorset County Council



Enabling communities in Dorset to thrive **now and for the future**



Standards and Governance Committee Report on Member Conduct for 2013

Foreword by the Chairman, John Wilson

Dorset County Council has a consistent record of high standards of conduct. This has been demonstrated year on year, and again in 2013, by a very low number of complaints against county councillors.

In 2012, when new standards arrangements were introduced through the Localism Act, the County Council took the opportunity to reinforce its commitment to high standards of conduct by:

- Retaining a Standards Committee
- Giving the Committee a wider role in relation to good governance as a Standards and Governance Committee
- Maintaining on the Committee a significant independent membership from outside the Council
- Deciding that as Chairman of the full Council I should take lead responsibility for standards of conduct by also chairing the Standards and Governance Committee.

During 2013 it has been evident to me that one of our great strengths has been how well elected and independent members of the Committee have continued to work together, using our different but complementary experience and skills to promote high standards of behaviour.

I look forward in 2014 to working again with independent and elected members to promote and maintain our proud record of high standards of conduct.



(Signed J Wilson)

Background

2012 was a transitional year in which new standards arrangements introduced by the Localism Act took part year effect and so 2013 has been our first full year operating under our new arrangements.

Dorset County Councillors continue to demonstrate high standards of conduct and during the year there were only two complaints that members had breached the Council's code of conduct. Both complaints were assessed by the Monitoring Officer in consultation with the Chairman of the Standards and Governance Committee and neither complaint warranted the appointment of an investigator to carry out a full investigation.

Although the County Council has 45 elected members whose behaviour is regulated by the Council's code of conduct there are an additional 20 co-opted members whose behaviour is also regulated by the code of conduct. These are co-opted members of the Standards and Governance Committee itself, the Dorset Health and Well-being Board, the Dorset Police and Crime Panel and Diocesan representatives on the Children's Services Overview Committee. There were no complaints during the year that any of these members have breached the code of conduct.

2013 was an election year for the County Council and a significant number of new members joined the Council in May 2013. The Council's induction programme included training on the code of conduct and as well as new members being required to complete entries in the register of interests there was an opportunity for continuing members to refresh their register entries.

The challenge that we face as a result of high standards of conduct and low levels of complaint is of being ready to address any complaints when they are made. We are fortunate in having a Committee comprising senior, experienced members of the Council and independent members. We are also fortunate in being able to call upon the services of two independent persons to provide support and guidance in the event of any complaints resulting in a formal investigation.

Who are the members of the Committee?

For the year 2013 the members of the Committee were:-

County Councillors

Mike Byatt – Elected Member (from June 2013)

Andrew Cattaway – Vice-Chairman of the County Council

Janet Dover (Vice-Chairman) – Leader of the Liberal Democrat Group

David Jones - Elected Member

John Wilson – Chairman of the Standards and Governance Committee and Chairman of the County Council

Peter Wharf – Elected Member (from June 2013)

Independent Members

Judith Anstice
Elizabeth Bird
Ronald Manley
Vacancy

Officer Support

The County Council's Monitoring Officer, Jonathan Mair, has a particular responsibility for ensuring that there is due regard to the law and high standards of probity. He is lead adviser to our committee.

The Deputy Monitoring Officer, Grace Evans, has the lead role to investigate any complaints about member conduct.

The Head of Internal Audit, Insurance and Risk Management, Mark Taylor, also advises the Committee.

The Committee's full terms of reference, as set out in the Council's Constitution, are set out in Appendix 1 to this report.

What is the role of the Standards and Governance Committee?

The main role of the Standards and Governance Committee is to act as champion and guardian of the county council's ethical standards. This means that they are responsible for promoting and maintaining high standards of conduct by elected members and co-opted members of the County Council

In addition to the legal requirements described in the background above, the county council have provided the committee with a wider role in relation to the good governance of the authority.

The role of Dorset's Standards and Governance Committee is highly valued by the political groups, members and senior managers.

What issues has the Committee considered during the 2013?

Despite the low level of complaints during 2013 the Committee has performed an important role during a time of significant transformational change for the County Council in commenting to the Council on important changes to its constitution. This has included major changes to the Council's scheme of delegation and the adoption of a new protocol to improve the way in which the Council's staff engage with the elected members.

Details of the Committee's work during 2013 can be found via the following link:

www.dorsetforyou.com/countycommittees

Governance, Risk Management and Internal Control at Dorset County Council

The County Council is fully committed to operating within a framework of robust governance, risk management and control. This framework seeks to ensure that service delivery is strong; that it delivers value for money; and that it safeguards public funds. The Standards and Governance Committee play a vital independent role in challenging and ensuring that these key objectives are met.

In addition to the Council's routine operational processes, there also exist a variety independent verification process which seek to assess and provide evidence of compliance, or otherwise, against these key objectives;

- The County Council is subject to an annual assessment by its external Auditors, KPMG, who present independent reports to the Councils Audit and Scrutiny Committee. This review process, amongst other things, involves a review of a number of key aspects of the Council's governance, risk management and internal control arrangements. In their Interim Report they provided their judgement in respect of the Council's organisational arrangements. Their assessment covered the following areas, each of which they concluded were sound;
 - Organisational Structure
 - Integrity and Ethical Values
 - Philosophy and Operating Style
 - Participation of those Charged with Governance
 - Human Resource Policies and Practices
 - Risk Assessment Process
 - Information Systems relevant to Financial Reporting
 - Communication
 - Monitoring
- The annual review of the Local Code of Corporate Governance also provides a further mechanism through which sources of evidence are assessed in respect of Ethical Governance. This has confirmed a continuing high level of compliance and satisfaction, which provides a clear basis for further positive reflection.
- Informed and robust decision making is a key element in well governed and controlled organisation. Therefore, despite previous positive external judgements of the councils risk management arrangements, the council continues to actively develop these to ensure that they are proactive, effective and proportionate to ensure the Council operates within a 'risk informed' culture.
- The Council was assessed as having a robust internal audit service and, as such, the Council's external auditors were able to place full

reliance on internal audit's work as the service was judged to be fully compliant with the Code of Practice.

- The external auditors also performed their annual review of the Council's Accounts upon which they, once again, issued an 'unqualified' audit opinion.
- The Council also has a public duty to publish an Annual Governance Statement, which seeks to reflect the robustness of the Council's internal governance, risk and control systems. Within this Statement the Council is required to highlight any significant issues and/or areas of concern and outline the steps being taken to address these. The Standards and Governance Committee and the Audit and Scrutiny Committee are directly involved in the compliance assessment review process which leads to the production of this Statement. They provide independent challenge on its content and seek assurance that actions plans are in place and are being actively progressed to address any areas of potential concern.

Therefore, although recognising the positive examples outlined above which demonstrate a firm platform of assurance, it is important not to become complacent, especially in these continuing and difficult times of financial austerity. The Standards and Governance Committee therefore help to ensure that continued focus and assurance is maintained in respect of the Council's key governance, risk and control framework.

Work Programme for 2014

The proposed work programme for the Committee for 2014 is set out in Appendix 2.

Appendix 1**The Standards and Governance Committee's terms of reference**

- (a) Promoting and maintaining high standards of conduct by members and co-opted members and church and parent governor representatives of the County Council.
- (b) Assisting members and co-opted members and church and parent governor representatives to observe the Members' Code of Conduct.
- (c) Advising the County Council on the adoption or revision of the Members' Code of Conduct.
- (d) Monitoring the operation of the Members' Code of Conduct.
- (e) To receive, on an annual basis, the Council's Annual Governance Statement and Local code of Corporate Governance Compliance Assessment to evaluate the Council's governance arrangements
- (f) Advising, training, or arranging to train councillors, co-opted members and church and parent governor representatives on matters relating to the Members' Code of Conduct.
- (g) Making representations to the Government, Local Government Association and other external bodies on matters relating to the General Principles of Conduct for members or employees of the County Council.
- (h) Advising members, co-opted members and church and parent governor representatives as to the rules for disclosure of interests and for granting dispensations.
- (i) Overseeing the implementation of the Council's Protocol for Member/Officer Relations and the Anti-Fraud and Corruption Strategy and other probity related documents.
- (j) Considering any findings of maladministration by the Local Government Ombudsman.
- (k) Overseeing the development and implementation of a Code of Practice for elected members representing the County Council on the boards of voluntary organisations and other independent bodies.
- (l) Supporting the Monitoring Officer in his/her statutory role.

(m) Undertaking such other functions as the Secretary of State may by regulations refer to the local authority in respect of promoting and maintaining high standards for member conduct.

(n) Overseeing and reporting to the County Council on proposed changes to this Constitution (save for the Scheme of Members' Allowances) which will be subject to consideration and recommendation direct to the County Council by the Independent Remuneration Panel).

(o) Determination of complaints relating to member conduct referred to the Committee by the Monitoring Officer.

Appendix 2**Standards and Governance Committee Work Programme
2014 (Draft)**

Date of Meeting	Items to be considered
27 January	Complaints update Terms of Reference - Governance Whistle-blowing Policy and Procedure and Anti Fraud, Bribery and Corruption Strategy Annual Report arrangements
10 April	Complaints update Corporate Governance Framework – Annual Compliance Assessment 2013/14 Constitutional changes
7 July	Complaints update Annual Governance Statement Personnel Appeals Committee Membership Review Constitutional changes Constitutional Changes arising from a Review of Senior Management
21 October	Complaints update Annual Complaints report 2013 -14 Ethical Audit Update 2014 Constitutional changes Review of Divisional budgets for elected members