



Audit and Governance Committee

Date: Monday, 9 December 2024
Time: 6.30 pm
Venue: Council Chamber, County Hall, Dorchester, DT1 1XJ

Members (Quorum: 3)

Gary Suttle (Chair), Spencer Flower (Vice-Chair), Belinda Bawden, Matt Bell, Neil Eysenck, Jill Haynes, Alex Fuhrmann, Andrew Parry and Andy Todd

Co-opted Members: R Ong and S Roach.

Chief Executive: Matt Prosser, County Hall, Dorchester, Dorset DT1 1XJ

For more information about this agenda please contact Democratic Services Meeting Contact john.miles@dorsetcouncil.gov.uk

Members of the public are welcome to attend this meeting, apart from any items listed in the exempt part of this agenda.

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Agenda

Item		Pages
1.	APOLOGIES	
	To receive any apologies for absence.	
2.	MINUTES	5 - 10
	To confirm the minutes of the meeting held on 23 rd September 2024.	
3.	DECLARATIONS OF INTEREST	
	To disclose any pecuniary, other registrable or non-registrable interest as set out in the adopted Code of Conduct. In making their decision councillors are asked to state the agenda item, the nature of the interest and any action they propose to take as part of their declaration.	

If required, further advice should be sought from the Monitoring Officer in advance of the meeting.

4. PUBLIC PARTICIPATION

Representatives of town or parish councils and members of the public who live, work, or represent an organisation within the Dorset Council area are welcome to submit either 1 question or 1 statement for each meeting. You are welcome to attend the meeting in person or via MS Teams to read out your question and to receive the response. If you submit a statement for the committee this will be circulated to all members of the committee in advance of the meeting as a supplement to the agenda and appended to the minutes for the formal record but will not be read out at the meeting. The first 8 questions and the first 8 statements received from members of the public or organisations for each meeting will be accepted on a first come first served basis in accordance with the deadline set out below.

All submissions must be emailed in full to john.miles@dorsetcouncil.gov.uk by 8.30 am on 4th December 2024.

When submitting your question or statement please note that:

- You can submit 1 question or 1 statement.
- A question may include a short pre-amble to set the context.
- It must be a single question and any sub-divided questions will not be permitted.
- Each question will consist of no more than 450 words, and you will be given up to 3 minutes to present your question.
- When submitting a question please indicate who the question is for (e.g., the name of the committee or Portfolio Holder)
- Include your name, address, and contact details. Only your name will be published but we may need your other details to contact you about your question or statement in advance of the meeting.
- Questions and statements received in line with the council's rules for public participation will be published as a supplement to the agenda.
- All questions, statements and responses will be published in full within the minutes of the meeting.

5. MINUTES OF THE AUDIT & GOVERNANCE SUB-COMMITTEE

To note the minutes of the Audit & Governance Hearing Sub-committee (if any meetings have been held).

6. TREASURY MANAGEMENT MID-YEAR REVIEW 2024/25 11 - 28

To receive a report by David Wilkes, Service Manager Treasury and Investment.

7. COUNCILLOR CODE OF CONDUCT AND COMPLAINT PROCESS 29 - 54

To receive a report by Grace Evans, Head of Legal Services.

8. UPDATE ON OUR FUTURE COUNCIL WORK

To receive an update from Aidan Dunn, Executive Director Corporate Development.

9. WORK PROGRAMME

55 - 56

To consider the work programme for the Committee.

10. URGENT ITEMS

To consider any items of business which the Chairman has had prior notification and considers to be urgent pursuant to section 100B (4) b) of the Local Government Act 1972. The reason for the urgency shall be recorded in the minutes.

11. EXEMPT BUSINESS

There is no exempt business.

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AUDIT AND GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON MONDAY 23 SEPTEMBER 2024

Present: Cllrs Gary Suttle (Chair), Spencer Flower (Vice-Chair), Matt Bell, Neil Eysenck, Jill Haynes, Alex Fuhrmann, Andrew Parry, Andy Todd and Ben Wilson.

Co-opted Members: R Ong and S Roach

Present remotely: Cllrs Belinda Bawden and Cllr Ray Bryan,

Also present: Ian Howse (Audit Partner for Deloitte), Jackson Murray (Grant Thornton), David Wilkes (Service Manager Treasury and Investments), Cllrs Shane Bartlett and Jane Somper.

Officers present (for all or part of the meeting):

David Bonner (Service Manager for Business Intelligence and Performance), Sean Cremer (Corporate Director for Finance and Commercial), Aidan Dunn (Executive Director - Corporate Development S151), Angie Hooper (Principal Auditor SWAP), Heather Lappin (Head of Strategic Finance), Jonathan Mair (Director of Legal and Democratic and Monitoring Officer), John Miles (Democratic Services Officer), Matthew Turnbull (Democratic and Electoral Services Apprentice), Jonathan Price (Executive Director of People - Adults and Housing), Sally White (Assistant Director SWAP) and Chris Swain (Risk Management and Reporting Officer).

28. **Apologies**

No apologies for absence were received at the meeting.

29. **Minutes**

The minutes of the meeting held on 22nd July 2024 were confirmed and signed.

30. **Declarations of Interest**

No declarations of disclosable pecuniary interests were made at the meeting.

31. **Public Participation**

There was no public participation.

32. **Minutes of the Audit & Governance Sub-committee**

To note the minutes of the Audit & Governance Hearing Sub-Committee (if any meetings have been held).

No Meetings Held.

33. Risk Management Update

The Risk Management and Reporting Officer introduced the report. The last risk management update presented to the Committee was delivered on the 22nd of July. Since then, work had continued to advance, the organisations risk architecture strategy protocols and work in these areas included provision of principal risks linked to the efforts of the council plan working groups and further details would be explained when the council's plan had been finalised. Preparation around the methodology to create a risk appetite statement which would give a high-level steer from the top down, as the amount of risk that the organisation would be willing to accept in pursuit of its objectives. There was preparation with children services to deliver a risk training event for the Directorate in October. Which would be similar to the pilot conducted in the Place Directorate earlier in the year. It would aim to deliver greater clarity around risk articulation and a bid to improve the quality of the risk information available when making strategic decisions. The Risk register workflow to provide risk owners automatic risk register reminders was now fully operational and had proved to be a valuable asset in driving compliance levels. Collectively performance had improved with 100% compliance in risk register updates. He noted that further work was needed to drive a cycle of improvement and develop the Council's risk culture.

Noted.

34. Report of Internal Audit Activity Progress Report 2024/25- September 2024

The Principal Auditor SWAP Internal Audit Services summarised the report. Which was the second update report for the 2024 financial year and offered a reasonable interim opinion and there were no significant risks identified. Since the last report in July, one limited assurance opinion had been issued on Estates Income and Debt Management. SWAP had dialogue with the Corporate Director Assets and Regeneration and there was additional evidence that was not provided at the time of the audit that could have altered SWAP's assurance opinion. SWAP had agreed to undertake follow-up work to allow the service to demonstrate appropriate process control and evidence, and this would be reported back to the Committee in due course. There were currently 6 overdue actions where either the original date or the revised date had passed and 25 actions that had passed their original due date where a revised date had been agreed.

Noted.

35. July 2024 (Period 4) Financial Management Report 2024/25

The Corporate Director Finance and Commercial covered the highlights of the report. Section 5 of the report referenced the risk as high and the reason for that was due to the in-year pressure of £10.1 million which reserves were needed to meet. Forecasts were likely to increase rather than decrease for the winter months due to the need led budgets and the increase in demand. Mitigation came late in the year for last year like the collection fund, the contingency and in year grants

announced by the government. All of these had been factored into the report, so the contingency relied on last year to support the financial year had already been played. Therefore, there was no backup plan in the same way as last year. He went through section 9 regarding the pressures within services totalling £9.7 million and when added to the pressures of OFC £8.6 million, which totalled pressure of £18.3 million. This was offset by contingency use of £5 million and the collection fund of £3 million. This brought down the net position to £10.1 million overspend. He covered section 17 general activity around the Councils general goods and services invoicing, and there had been some improvement on the figures. A concerted effort had been taken to recover some of the debt that flowed through and two thirds of the debt outstanding as of last financial year had been collected.

Co-opted Member Mr Roach referenced pg 48 and 49 of the report and queried why there was a blip in the number of children that occurred in June 2023 which did not correlate with the cost.

In response to questions asked, the Corporate Director Finance and Commercial explained that he needed to look more closely at these dates and bring it back to the Committee. He assumed that although it was a blip, the number came down quite quickly afterwards. So, it was possibly that people were taken into care for very short intervention work and as a result, a small cost incurred.

The Executive Director for Corporate Development responded to questions regarding what was driving budget overspend on a consistent basis and the increasing cost pressures. He explained that Children Services had overspent but he did not want to detract from the success story of the number of children in care decreasing. Compared to other local authorities which were seeing children in care increasing or staying the same and their costs increasing significantly. Despite the overspend, the containment in growth of costs had been a success for Dorset Council. There had been significant work across the organisation to try and contain the inflation of care prices. But there was a market and if the Council refused to pay the price there was a risk that the resident would be handed back.

Cllr Haynes requested that regular updates be provided for Our Future Council as it was not included within the recommendations of the report.

Noted.

36. **Treasury Management Annual Report 2023/24**

The Service Manager for Treasury and Investments went through the highlights of the report. The Council's Capital Financing Requirement (CFR) at the end of the financial year was £388 million which was compared to £367 million at the start of the year and an estimated closing position of £400 million when the treasury management strategy for the year was approved. He explained that this showed that borrowing did increase over the year, but it did not increase as much as was expected, which was due to slippage in the capital programme. Total external borrowing plus other capital finance liabilities, such as Private Finance Initiative (PFI), were £243 million at the end of the year which was up from £219 million at the start of the year. The total interest paid servicing the total debt was just under

£8 million for the year. The difference between the CFR and total debt was approximately £145 million which was financed temporarily through internal borrowing, using reserves, working capital and other balance sheet resources that could otherwise have been invested. At the end of the year, the Council had cash and cash equivalents of £22 million plus treasury investments of £52 million, £72 million in total, which was down from £115 million at the start of the year. The biggest external factors impacting treasury management during the year were high inflation and increases in interest rates, leading to increased costs for the Council but higher returns on cash investments.

In response to Cllr Parry's question about the Risk Assessment at the end of the report and whether officers were confident about what had been indicated, the Service Manager for Treasury and Investments informed that officers needed to go away and look at how the risk was graded.

Noted.

37. Update on the Backstop for Audited Bodies.

Jackson Murray from Grant Thornton updated the Committee on the local authority backstop. The backstop date was anticipated to be 13th December 2024 for Audits 22/23. A backstop date for the 23/24 audit of the 28th of February 2025. The following year 24-25 a backstop date of the 27th of February 2026. Based on discussions, he understood that the 22/23 audit would be backstopped and subject to a backstop disclaimer opinion letter. The Pension Fund would have a clean audit opinion by 2025-26, given the nature of the accounts and the investments would be viewed on an annual basis.

Noted.

38. Informing the Audit Risk Assessment for Dorset Council and Dorset Pension Fund 2023/24

Jackson Murray introduced the report. The report set out a number of questions that Grant Thornton asked management, both the Council and the Pension Fund on an annual basis driven by auditing standards. The responses then drove the audit work and audit plan.

Noted.

39. IT Audit Findings Dorset Council and Pension Fund

Jackson Murray from Grant Thornton covered the report. He set out the reasons why the report had come to the Committee. Grant Thornton IT colleagues reviewed the key IT systems that fed into the financial statements of the Council. IT audit colleagues liaised with IT at the Council to consider the controlled environments in place and the report set out the controlled findings along with Grant Thorntons recommendations and management response to those recommendations.

Mr Roach highlighted the significant cyber security risk, and that the Council had recognised this as extremely high risk, that would likely occur and if it did, it would have catastrophic impact. He raised concerns that information provided within the report could be used by bad actors and should not have been in the public domain.

The Committee supported that the sensitive information should be taken down and removed from the public agenda.

Noted.

40. **Work Programme**

No comments were made.

41. **Urgent items**

The following items of business were considered by the Chairman as urgent pursuant to section 100B (4) b) of the Local Government Act 1972. The item was considered to be urgent because (Deloitte were not able to complete their review and unable to sign off the 2021/22 audit until the December Committee along with the Disclaimer for 2022/23).

a) **Status Update Report to the Audit and Governance Committee on the 2021/22 Audit**

To receive an update by Ian Howse, Deloitte

b) **Planning Report to the Audit and Governance Committee on the 2022/23 Audit – September 2024**

To receive a report by Ian Howse, Deloitte

42. **Status Update Report to the Audit and Governance Committee on the 2021/22 Audit**

Ian Howse, Audit Partner for Deloitte updated the Committee on the 2021/22 Audit. The Audit was substantially complete in terms of the field work and Deloitte were into their review process and he did not envisage any problems in delivering this audit before the backstop. He went through the report which stated that work was well progressed. No significant weaknesses had been identified on the Councils value for money and use of its resources.

Noted.

43. **Planning Report to the Audit and Governance Committee on the 2022/23 Audit – September 2024**

Ian Howse covered the plan for the 2022/23 audit which would not be completed by the backstop date and therefore, would be disclaimed and provide no opinion

and there would be no substantive testing. At Cllr request Deloitte provided an update on the recommendations made on a prior ISA 260 report.

Noted.

44. Exempt Business

Decision

That the press and the public be excluded for the following item(s) in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).

There was no exempt business.

Duration of meeting: 6.30 - 8.27 pm

Chairman

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Audit and Governance Committee Monday, 9 December 2024 Treasury Management Mid-Year Update

For Decision

Portfolio Holder: Cllr Simon Clifford, Finance & Capital Strategy

Local Councillor(s): All

Executive Director: A Dunn, Executive Director, Corporate Development

Report Author: David Wilkes
Title: Service Manager (Treasury and Investments)
Tel: 01305 224119
Email: david.wilkes@dorsetcouncil.gov.uk

Report Status: Public

Brief Summary

This report summarises the treasury management performance and position information for Dorset Council for the six months to 30 September 2024.

Treasury management at the Council is conducted within the framework of CIPFA's Treasury Management Code of Practice. In adopting the code, recommended best practice is for members to approve an annual treasury management strategy report, and to then receive a mid-year update on progress against the strategy (this report) and a year-end review of actual performance against the strategy.

The Council's total external borrowing at 30 September 2024 was £225m, compared to £221m at 31 March 2024, and is forecast to increase to £320m by 31 March 2026, compared to the budget of £313m. The total interest paid servicing external debt for the year is forecast to be £10.5m compared to a budget of £10.3m.

At 30 September 2024 the Council held cash and cash equivalents of £32m and treasury investments of £49m – in total £81m compared to £74m at 31 March

2024. The total interest and investment income for the year is forecast to be £4.9m compared to a budget of £4.0m.

Recommendation:

That the Committee note and comment upon the report, and to offer any suggestions for improvements in treasury management arrangements for the future.

Reason for Recommendation:

To better inform members of treasury management activity, in accordance with the corporate requirement to ensure money and resources are used wisely.

1. Introduction

- 1.1 The Council's treasury management strategy for 2024/25 was approved by a meeting of Dorset Council on 13 February 2024.
- 1.2 The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.
- 1.3 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
- 1.4 The Council employs professionally qualified and experienced staff with responsibility for making borrowing and investment decisions. Officers are supported by external advisers who are specialists in their fields. The Council currently employs Arlingclose Limited as treasury management advisers.
- 1.5 This approach ensures that the Council has access to a wide pool of relevant market intelligence, knowledge and skills that would be very difficult and costly to replicate internally. However, whilst advisers provide

support to the internal treasury function, final decisions on treasury matters always remain with the Council.

2. External Context

- 2.1 Treasury management decisions made by the Council must take into consideration external factors, particularly the wider economic backdrop and the outlook for financial markets and interest rates, and the wider regulatory framework.
- 2.2 UK headline consumer price inflation remained around the Bank of England target later in the period, falling from an annual rate of 3.2% in March to 2.0% in May and then rebounding marginally to June to 2.2% in July and August, as was expected, due to base effects from energy prices. With headline inflation lower, the Bank of England cut Bank Rate from 5.25% to 5.00% at the meeting of its Monetary Policy Committee (MPC) in August 2024.
- 2.3 Bank Rate was reduced by a further 0.25% to 4.75% at the November meeting of the MPC but with more cautious messaging on the speed of further reductions largely due to the potentially inflationary impact of the government's Autumn Budget 2024. Arlingclose are currently forecasting a further 0.25% cut in February 2025.
- 2.4 A detailed commentary on the external context provided by Arlingclose is included in Appendix 1 together with their most recent economic and interest rate forecast in Appendix 2.

3. Local Context

- 3.1 The Council's balance sheet is summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31-Mar 2024 Actual £m	30-Sep 2024 Actual £m	31-Mar 2025 Budget £m	31-Mar 2025 Forecast £m
Capital Financing Requirement (CFR)	388	420	483	450
Less: PFI and other debt liabilities	19	20	20	20
Loans CFR (underlying borrowing requirement)	369	400	463	430
Less: External borrowing	225	221	313	325
Internal Borrowing	144	179	150	105
Cash and Investments	74	81	90	60

- 3.2 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR).
- 3.3 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. The CFR increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt.
- 3.4 The CFR is forecast to rise by about £60m over the year to roughly £450m, less than budgeted due to slippage in delivering the capital programme. External borrowing is forecast to increase by about £100m over the year, higher than the increase in CFR as the Council is expected to have less reserves available to support 'internal borrowing' than it did at the beginning of the year.
- 3.5 CIPFA's 2021 Prudential Code makes clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the authority. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Council has no plans to borrow to invest primarily for financial return

3.6 The treasury management position at 30 September 2024 and the forecast position for 31 March 2025 are shown in Table 2 below.

Table 2: Treasury Management Summary

	31.03.24 Actual £m	30.09.24 Actual £m	31.03.25 Forecast £m
Long-term borrowing	175.0	175.0	265.0
Short-term borrowing	49.5	46.3	60.0
Total Borrowing	224.5	221.3	325.0
Long-term investments	19.0	19.0	19.0
Short-term investments	32.5	30.3	11.0
Cash and cash equivalents	22.4	32.0	30.0
Total Cash and Investments	73.9	81.3	60.0
Net Borrowing	150.6	140.0	265.0

4. Borrowing

4.1 The chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should long-term plans change being a secondary objective.

4.2 Outstanding loans at 30 September 2024 are summarised in Table 3 below.

Table 3: Borrowing Summary

	31.03.24 Balance £m	Net Movement £m	30.09.24 Balance £m	30.09.24 Average Rate %	30.09.24 Average Maturity (years)
Public Works Loan Board	91.0	-1.3	89.7	4.3	17.4
Banks (fixed-term)	25.6	0.0	25.6	4.7	53.1
Banks (LOBO*)	11.0	0.0	11.0	4.6	52.6
Local authorities (long-term)	15.0	0.0	15.0	4.4	35.7
Local authorities (short-term)	37.0	-2.0	35.0	4.7	0.9
Other lenders (fixed-term)	45.0	0.0	45.0	3.9	42.5
Total Borrowing	224.6	-3.3	221.3	4.4	27.0

4.3 *Lender’s Option Borrower’s Option (LOBO) loans are loans where the lender has the option to propose an increase in the interest rate at set dates, following which the borrower has the option to either accept the new rate or to repay the loan at no additional cost. The Council has one LOBO loan outstanding.

5. Treasury Investments

5.1 CIPFA define treasury management investments as investments that arise from the organisation’s cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

5.2 The Council holds significant levels of invested funds, representing income received in advance of expenditure plus balances and reserves held. Cash, cash equivalents and treasury investments held on 30 September 2024 are summarised in Table 4 below.

Table 4: Cash and Investments Summary

	31.03.24 Balance £m	Net Movement £m	30.09.24 Balance £m
Cash and Cash Equivalents	22.4	9.6	32.0
Investments:			
Short-dated bond funds	2.8	0.0	2.9
Strategic bond funds	9.9	0.1	10.0
Equity income funds	16.6	0.8	17.4
Property funds	19.0	0.0	19.0
Multi asset income funds	3.1	-3.1	0.0
Total Investments	51.5	-2.2	49.3
Total Cash and Investments	73.9	7.4	81.3

5.3 Both the CIPFA Code and government guidance require local authorities to invest funds prudently, and to have regard to the security and liquidity of treasury investments before seeking the optimum rate of return, or yield. The Council’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

5.4 As demonstrated later in this report, the Council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments.

5.5 The Council also holds investments in bond, equity, multi-asset and property funds. Such investments are held for the longer term with the acceptance that capital values will fluctuate over the short term but with the expectation that over a three to five-year period total returns will exceed cash interest rates.

6. Treasury Performance

6.1 The Council measures the financial performance of its treasury management in terms of its impact on the revenue budget as shown in Table 5 below.

Table 5: Treasury Performance

	Budget £m	Forecast £m	Variance £m	
Interest Payable	10.3	10.5	-0.2	A
Interest and Investment Income	-4.0	-4.9	0.9	F
Net Payable / (Receivable)	6.3	5.6	0.7	F

7. Compliance

7.1 All treasury management activities undertaken during the year to date complied with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.

7.2 The Council is legally obliged to set an affordable borrowing limit (the 'authorised limit') for external debt each year and a lower 'operational boundary' is also set as a warning level should debt approach the authorised limit. Compliance with the both the authorised limit and operational boundary for external debt is shown in Table 6 below.

Table 6: Debt Limits

	Maximum 2024-25 £m	30.09.24 Actual £m	Operational Boundary £m	Authorised Limit £m	Complied Yes/No
Borrowing	225	221	483	503	Yes
PFI & Finance Leases	19	19	24	29	Yes
Total Capital Financing	244	240	507	532	

8. Treasury Management Prudential Indicators

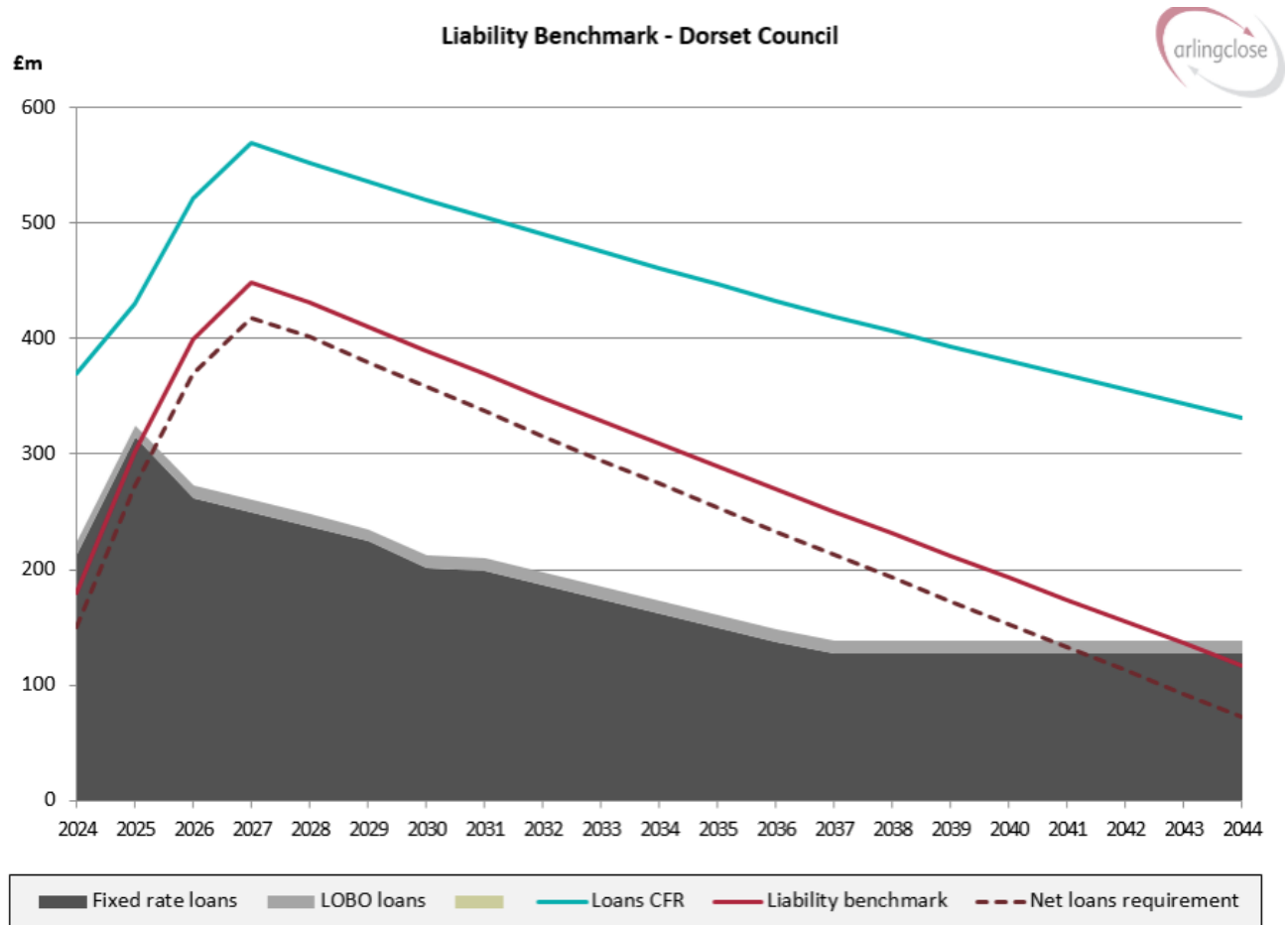
- 8.1 The Council measures and manages its exposures to treasury management risks using the following indicators.
- 8.2 **Liability Benchmark:** This indicator compares the Council's actual existing borrowing against a 'liability benchmark' calculated to show the lowest possible level of external borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at a minimum 'liquidity allowance' to manage day-to-day cash flows.

Table 7: Liability Benchmark (medium term forecast)

	31.03.24 Actual £m	31.03.25 Forecast £m	31.03.26 Forecast £m	31.03.27 Forecast £m
Loans CFR (underlying borrowing requirement)	369	430	520	570
Less: Balance sheet resources	220	160	155	155
Net loans/borrowing requirement	149	270	365	415
Plus: Liquidity allowance	30	30	30	30
Liability Benchmark	179	300	395	445

- 8.3 The long-term liability benchmark based on the most recent capital programme is shown in the chart below together with the maturity profile of the Council's forecast borrowing as at 31 March 2025.

Chart 1: Liability Benchmark (long term forecast)



8.3 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA = 1, AA+ = 2 etc.) and taking the average, weighted by the size of each investment. The credit score of money market funds is calculated from the fund’s underlying investments and unrated investments are assigned a score based on their perceived risk.

Table 8: Security

	30.09.24 Actual	2024/25 Target	Complied Yes/No
Portfolio average credit score	5.0	< 6	Yes
Equivalent average credit rating	A+		

8.4 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected

payments within a rolling three-month period without additional borrowing. In addition, the Council aims to hold a minimum of £10m readily available in same day access bank accounts and Money Market Funds.

Table 9: Liquidity

	2024/25 Min £m	30.09.24 Actual £m	2024/25 Target £m	Complied Yes/No
Total cash available within 1 day	29	32	10	Yes
Total cash available within 3 months	59	62	30	Yes

8.5 **Interest Rate Exposure:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests were:

Table 10 Interest Rate Exposure

	30.09.24 Actual £000s	2024/25 Limit £000s	Complied Yes/No
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	253	1,000	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	-253	1,000	Yes

8.6 The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced.

8.7 **Sums invested for periods longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested at the period end were:

Table 11: Investments longer than one year

	2024/25 £m	2025/26 £m	2027/28 £m	No fixed date £m
Limit on principal invested beyond one year	20.0	20.0	20.0	100.0
Actual principal invested beyond one year	0.0	0.0	0.0	49.3
Complied (Yes/No)	Yes	Yes	Yes	Yes

8.8 Long-term investments with no fixed maturity date include strategic pooled funds but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term cash and cash equivalents.

8.9 **Maturity Structure of Borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing were:

Table 12: Maturity Structure of Borrowing

	30.09.24 Actual £m	% of Total Borrowing	Upper Limit	Lower Limit	Complied Yes/No
Under 12 months	20.0	9.0%	25%	0%	Yes
12 Months to 2 Years	25.0	11.3%	25%	0%	Yes
2 Years to 5 Years	0.0	0.0%	25%	0%	Yes
5 Years to 10 Years	10.0	4.5%	35%	0%	Yes
10 Years to 20 Years	27.9	12.6%	35%	0%	Yes
20 Years to 30 Years	41.8	18.9%	45%	0%	Yes
30 Years to 40 Years	15.0	6.8%	45%	0%	Yes
40 Years to 50 Years	45.0	20.3%	45%	0%	Yes
50 Years and above	36.6	16.5%	75%	0%	Yes
Total	221.3	100.0%			

8.10 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

9. Financial Implications

This report summarises the performance of the Council's treasury management activity in the six months to 30 September 2024. There are no other financial implications arising from this report.

10. Natural Environment, Climate & Ecology Implications

None identified.

11. Well-being and Health Implications

None identified.

12. Other Implications

None identified.

13. Risk Assessment

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: HIGH

Residual Risk: Medium

Treasury management is an inherently risky area of activity and a number of controls are embedded in its operation. The key treasury management risks are highlighted as part of the treasury management strategy approved by Council as part of the budget setting process. This report highlights any variances from this strategy and draws out any specific risks which have arisen.

14. Equalities Impact Assessment

There are no equalities implications arising from this report.

15. Appendices

Appendix 1: External Context (Arlingclose 3 October 2024)

Appendix 2: Economic and Interest Rate Forecast (Arlingclose 11 November 2024)

16. Background Papers

[Budget Strategy MTPF Appendix 3 Capital Strategy 202425-202728.pdf](#)

[Budget Strategy MTPF Appendix 4 Treasury Mangement.pdf](#)

Appendix 1: External Context (Arlingclose 3 October 2024)

Economic background: UK headline consumer price inflation remained around the Bank of England (BoE) target later in the period, falling from an annual rate of 3.2% in March to 2.0% in May and then rebounding marginally to June to 2.2% in July and August, as was expected, due to base effects from energy prices. Core and services price inflation remained higher at 3.6% and 5.6% respectively in August.

The UK economy continued to expand over the period, albeit slowing from the 0.7% gain in the first calendar quarter to 0.5% (downwardly revised from 0.6%) in the second. Of the monthly figures, the economy was estimated to have registered no growth in July.

Labour market data was slightly better from a policymaker perspective, showing an easing in the tightness of the job market, with inactivity rates and vacancies declining. However, a degree of uncertainty remains given ongoing issues around the data collected for the labour force survey by the Office for National Statistics. Figures for the three months to July showed the unemployment rate fell to 4.1% (3mth/year) from 4.4% in the previous three-month period while the employment rate rose to 74.8% from 74.3%.

Over the same period average regular earnings (excluding bonuses) was 5.1%, down from 5.4% in the earlier period, and total earnings (including bonuses) was 4.0% (this figure was impacted by one-off payments made to NHS staff and civil servants in June and July 2023). Adjusting for inflation, real regular pay rose by 2.2% in May to July and total pay by 1.1%.

With headline inflation lower, the BoE cut Bank Rate from 5.25% to 5.00% at the August Monetary Policy Committee (MPC) meeting. The decision was finely balanced, voted by a 5-4 majority with four members preferring to hold at 5.25%. At the September MPC meeting, committee members voted 8-1 for no change at 5.00%, with the lone dissenter preferring Bank Rate to be cut again to 4.75%. The meeting minutes and vote suggested a reasonably hawkish tilt to rates, with sticky inflation remaining a concern among policymakers.

The latest BoE Monetary Policy Report, published in August, showed policymakers expected GDP growth to continue expanding during 2024 before falling back and moderating from 2025 to 2027. Unemployment was forecast to stay around 4.5% while inflation was shown picking up in the latter part of 2024

as the previous years' energy price declines fell out of the figures before slipping below the 2% target in 2025 and remaining there until early 2027.

The US Federal Reserve (the Fed) also cut interest rates during the period, reducing the Federal Funds Rate by 0.50% to a range of 4.75%-5.00% at its policy meeting in September. The forecasts released at the same time by the central bank suggested a further 1.00% of easing is expected by the end of the calendar year, followed by the same amount in 2025 and then a final 0.50% of cuts during 2026.

Having first reduced interest rates in June, the European Central Bank (ECB) held steady in July before cutting again in September, reducing its main refinancing rate to 3.65% and its deposit rate to 3.50%. Unlike the Fed, the ECB has not outlined a likely future path of rates, but inflation projections remain in line with the central bank's previous forecasts where it will remain above its 2% target until 2026 on an annual basis.

Financial markets: Sentiment in financial markets continued to mostly improve over the period, but the ongoing trend of bond yield volatility remained. The general upward trend in yields in the early part of the period was reversed in the later part, and yields ended the half-year not too far from where they started. However, the volatility in response to economic, financial and geopolitical issues meant it was a bumpy ride for bond investors during that time.

Over the period, the 10-year UK benchmark gilt yield started at 3.94% and ended at 4.00% but hit a high of 4.41% in May and a low of 3.76% in mid-September. While the 20-year gilt started at 4.40% and ended at 4.51% but hit a high of 4.82% in May and a low of 4.27% in mid-September. The Sterling Overnight Rate (SONIA) averaged 5.12% over the period to 30th September.

Credit review: Arlingclose maintained its advised recommended maximum unsecured duration limit on all banks on its counterparty list at 100 days.

Having had its outlook increased by Fitch and ratings by S&P earlier in the period, Moody's upgraded Transport for London's rating to A2 from A3 in July.

Moody's also placed National Bank of Canada on Rating Watch for a possible upgrade, revising the outlook on Standard Chartered to Positive, the outlook to Negative on Toronto Dominion Bank, and downgrading the rating on Close Brothers to A1 from Aa3. S&P upgraded the rating on National Bank of Canada to A+ from A, and together with Fitch, the two rating agencies assigned Lancashire County Council with a rating of AA- and A+ respectively.

Credit default swap prices were generally lower at the end of the period compared to the beginning for the vast majority of the names on UK and non-UK lists. Price volatility over the period was also generally more muted compared to previous periods.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

Appendix 2: Economic and Interest Rate Forecast (Arlingclose 11 November 2024)

As expected, the Monetary Policy Committee (MPC) cut Bank Rate to 4.75% in November in an 8-1 vote. However, the outlook for monetary policy has changed following the new government's fiscal plans, as delivered in the recent Budget.

The Budget measures will boost demand in a constrained supply environment, while pushing up direct costs for employers. The short to medium-term inflationary effects of the Budget require a change to our Interest Rate Forecast.

UK GDP recovered well in H1 2024 from technical recession, but underlying growth appears relatively subdued. The Budget will significantly boost government spending over the short-term, with few offsetting measures to subdue household demand, so GDP growth is likely to rise relatively steeply.

Private sector wage growth and services inflation remain elevated. The increase in employers' NICs, minimum and public sector wage levels could have wide ranging impacts on private sector employment demand and costs, but the near-term impact will likely be inflationary as these additional costs get passed to consumers.

CPI inflation rates will rise a little by year-end due to higher energy prices and less favourable base effects. The Bank of England (BoE) estimates the Budget impact will see the CPI rate at 2.7% by year end 2025 and remain over target in 2026, as opposed to the prior projection of inflation easing back to and then below target.

The MPC re-emphasised that monetary policy will be eased gradually, and we now believe the Budget measures have both reduced the pace of Bank Rate cuts and raised the low point for this loosening cycle (although downside risks develop later).

The Office for Budget Responsibility's (OBR) projections for increased borrowing, higher inflation and a shallower path for Bank Rate raised gilt yields. The material change in expectations means that yields will be generally higher in the post-Budget world.

US government bond yields have risen following Donald Trump's and Republican victories in the US elections. Trump ran on a platform of policies that appear inflationary, calling into question the extent of policy loosening required from the Federal Reserve (which was already uncertain given continued solid US growth data). Higher US yields could also support higher UK yields.

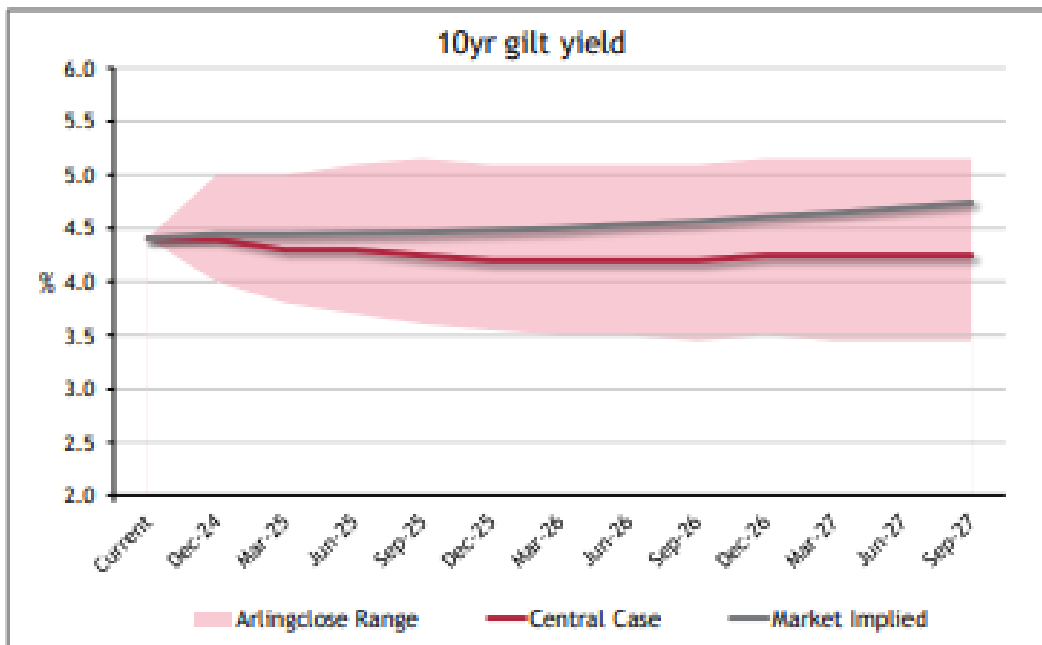
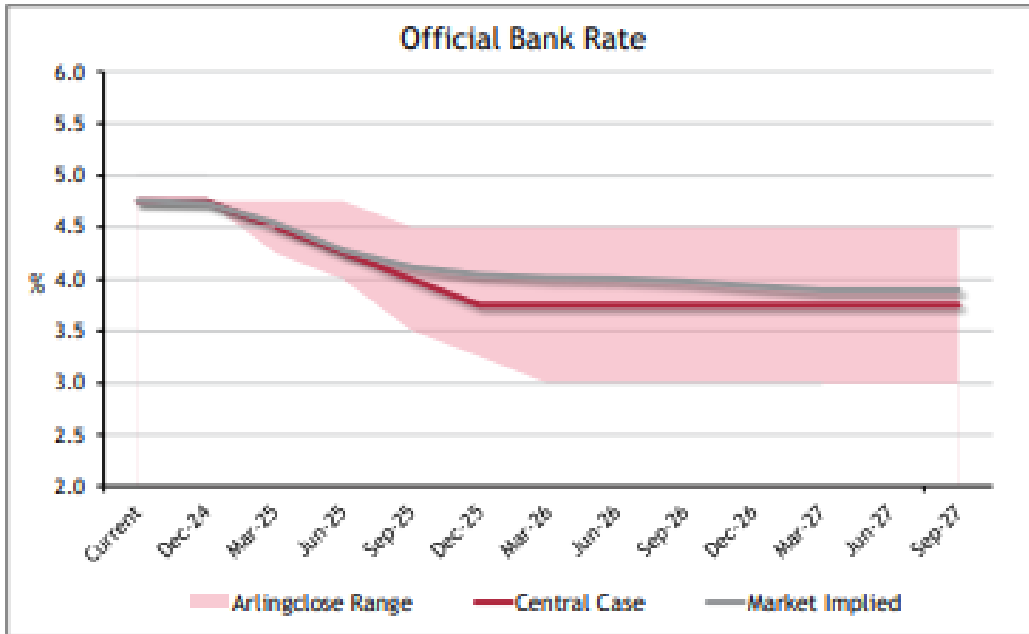
In line with our forecast, Bank Rate was cut to 4.75% in November.

The MPC will continue to reduce Bank Rate, but more slowly and by less. We see another rate cut in February 2025, followed by a cut alongside every

Monetary Policy Report publication, to a low of 3.75%.

Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility will remain elevated as the market digests incoming data for clues around the impact of policy changes.

This uncertainty may also necessitate more frequent changes to our forecast than has been the case recently.



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Audit & Governance Committee

9 December 2024

Councillor Code of Conduct Complaint Process

For Recommendation to Council

Cabinet Member and Portfolio:

Cllr N Ireland, Leader of the Council

Local Councillor(s):

Cllr

Executive Director:

J Mair, Director of Legal & Democratic

Report Author: Grace Evans

Job Title: Head of Legal Services

Tel: 01305 225021

Email: grace.evans@dorsetcouncil.gov.uk

Report Status: Public

Brief Summary:

At its meeting on 8 July 2024 the Audit and Governance Committee received a report proposing changes to the Councillor Code of Conduct and a new Councillor Complaint Process.

The Committee requested a Task and Finish Group to scrutinise in further detail and fully understand the Councillor Code of Conduct and proposed new Councillor Complaint Process. A Task and Finish Group of 7 members of the Audit and Governance Committee met on 9 October.

The Group received a presentation about the Councillor Code of Conduct and proposed new Councillor Complaint Process from the Head of Legal Services. The Group discussed the proposed new Councillor Complaint Process in detail and requested the following changes:

- Target timescales for action and response throughout the document have been clarified.
- Section 4 (page 3 of the Complaint Process) has been updated to clarify that a successful complaint may result in one or a number of outcomes.
- section B (page 7 of the Complaint Process) has been amended to provide for complex complaints to be referred for Assessment decision, if necessary, to an informal Review Panel instead of a formal (Assessment) Sub-Committee. The informal Review Panel would consist of the Monitoring Officer as decision maker, in consultation with an Independent Person and three Members of Audit and Governance Committee who may meet or consider the assessment in writing only.
- Section I (page 12 of the Complaint Process) has been amended to provide for the Monitoring Officer to decide the outcome or further progress of a complaint on receipt of an Investigating Officer's report, in consultation with the Chair of Audit and Governance Committee (or Vice Chair in their absence).
- Section J (page 17 of the Complaint Process) has been adjusted to provide for a town or parish council to contact the Monitoring Officer for advice, if they wish to impose a different sanction to the one recommended by Dorset Council.
- Section K (page 17 of the Complaint Process) has been deleted, as the provision for an Assessment Sub-Committee has been replaced by the informal Review Panel provisions in Section b (page 7 of the Complaint Process)

As a result of the government's intention to review the standards regime for Councillors, recommendations 1 and 2 of the July report relating to the Councillor Code of Conduct are no longer proposed, to allow for the government review to take place.

Recommendation:

That the Committee consider the recommendations from the Task and Finish Group (held on 9 October 2024) and recommend the proposed new Councillor Complaint Process for adoption by Full Council.

Reason for Recommendation:

To support councillors in maintaining high standards of conduct and to ensure a proportionate and clear approach to the assessment and hearing of complaints against councillors.

1. **Report**

- 1.1 Dorset Council adopted the Model Councillor Code of Conduct on 15 April 2021.
- 1.2 Dorset Council adopted the current Councillor Code of Conduct complaint arrangements on 15 April 2021 and has operated those arrangements for the assessment, investigation and hearing of complaints over the last three years.
- 1.3 Based upon experience to date, the LGA guidance, and the detailed scrutiny of the Task and Finish Group, this report recommends a new Councillor Complaint Process, which builds on the current arrangement and provides improved clarity and detail to ensure that all involved understand the arrangements and that councillors and complainants are treated fairly.
- 1.4 The main differences between the current and proposed new arrangements (which have been updated to take account of the Task and Finish Group requests) concern:
 - Timescales: The current arrangement contains very few timescales and as a result there have been misunderstandings and frustration about how long some tasks and activities have taken. In accordance with LGA guidance indicative timescales have been added throughout the proposed new arrangements to provide clarity and assist with timely progression of complaints.
 - Terminology: At present councillors who are complained of are referred to as Councillors and Co-Opted Members of Dorset Council and any town and parish council in Dorset. This can cause confusion where the Complainant is also a councillor. LGA guidance suggests referring to councillors and co-optees who are complained of as “Subject Members”. This change in terminology has been made throughout the proposed new arrangement.
 - Outcomes: the current arrangement does not explain the outcomes that are available to a Complainant. The Localism Act 2011 curtailed the ability of councils to impose and enforce meaningful sanctions or remedial action. Experience from the last 3 years, suggests the limitation on outcomes is not widely understood, to the disappointment of some Complainants. The proposed new arrangement includes description of possible available outcomes and importantly outcomes which cannot be achieved, for the benefit of all involved.

- Initial Check: the current arrangements provide for an initial check (list of questions) of a complaint, to ensure a complaint is covered by the Councillor Code of Conduct and the councillor complaint arrangements. Two important additional questions have been added to the check:
 - Did the conduct complained of happened when a councillor was acting in an official capacity, and
 - Does the conduct complained of relate to work with a child or harm to an adult at risk and so should be referred to the Local Authority Designated Officer (“LADO”) or Adult Safeguarding

A LADO works within Children’s Services and gives advice and guidance to employers, organisations and other individuals who have concerns about the behaviour of an adult who works with children and young people.

- Gathering information: currently the initial check and assessment stages of the councillor complaint process are based on information provided by the Complainant only. In line with LGA guidance wording has been included within the proposed new arrangement to enable the Subject Member to provide an initial response and for relevant information to be gathered during the assessment of a stage of a complaint to aide and improve assessment decision making.
- Assessment: the current arrangement provides for assessment of a complaint but does not set out assessment criteria or items for consideration. The LGA guide suggests that assessment criteria should be added for clarity, and these have been included in the proposed new arrangement.
- Informal Review Panel: currently officers (with delegated authority) decide whether and if so, how a complaint should progress at the Assessment stage. On occasion this can be challenging for officers; this could be due to officer involvement with earlier complaints involving the same Complainant or Subject Member or the complaint may be complex. The proposed new arrangement includes an option for a complaint to be referred to an informal Review Panel for consideration and decision which would provide a solution and is in line with LGA guidance.

- Informal resolution: There may be occasions where there is evidence of a potential breach, but instead of an investigation, informal resolution may be appropriate. This is included in the current arrangement, but experience and the LGA guide suggest that greater detail would be useful. The proposed new arrangement includes examples of some types of informal resolution and provides for the Complainant and Subject Member to respond to a suggestion of informal resolution before a firm decision is made. It may be arranged where a Complainant and Subject Member agree but it may be an appropriate outcome even without agreement. The new arrangement also clarifies that where informal resolution is arranged but not completed a further decision may be made, and a complaint may be referred for investigation.
- Investigation: The current arrangements stipulate that a complaint which is referred for investigation must be reported to the Audit and Governance (Hearing) Sub-Committee for decision. But changes can occur during an investigation; for example, a Subject Member could resign, leave office after an election or become too ill to be actively involved in the complaint process. From lessons learned and in line with the LGA guide wording has been added to provide for a complaint to be referred back to the Monitoring Officer if there is a change of circumstance during the investigation. There have also been instances, where the Investigation Report is detailed and recommendations are very clear, and a hearing of the Audit and Governance (Hearing) Sub-Committee would not have been necessary. The proposed new arrangement enables the Monitoring Officer to take a final decision based on the recommendations of the Investigation Report, in consultation with the Independent Person and Chair or Vice Chair of the Audit and Governance Committee. For complaints where there is evidence of serious breach(es), or there is no clear recommendation, or the Monitoring Officer does not agree with the recommendation the option of referring the complaint for decision of the Audit and Governance (Hearing) Sub-Committee is still available. This is in line with LGA guidance.
- Hearing: for clarity the proposed new arrangements contain greater detail of the arrangements in advance of, at and following a hearing. The current arrangements provide for a hearing, but do not explain the arrangements in detail. This has resulted in a volume of enquiries in advance of hearings about process, calling of witnesses, order of

speaking during a hearing, etc. The proposed new arrangements aim to clarify the process for all involved and are in line with LGA guidance.

2. Financial Implications

There are no financial implications for the purposes of this report.

3. Natural Environment, Climate & Ecology Implications

No climate implications have been identified in preparing this report.

4. Well-being and Health Implications

No well-being or health implications have been identified in preparing this report.

5. Other Implications

None.

6. Risk Assessment

6.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

7. Equalities Impact Assessment

This report raises no equalities implications, providing an improved complaint arrangement applicable to all councillors.

8. Appendices

Appendix 1 – the current arrangements for dealing with Code of Conduct complaints against councillors. [Appendix 2 Code of Conduct complaint process 2021.pdf](#)

Appendix 2 – the proposed new Councillor Complaint Process (showing changes since the version presented to councillors in July 2024).

9. Background Papers

The LGA Guidance on Member Model Code of Conduct Complaints Handling

[Guidance on Member Model Code of Conduct Complaints Handling |
Local Government Association](#)

10. **Report Sign Off**

- 10.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

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Arrangements for dealing with Code of Conduct complaints against Councillors

What is a Code of Conduct complaint?

Dorset Council has adopted a Code of Conduct for its Councillors and Co-opted Members, which is available for inspection on the council's website and on request from the Monitoring Officer.

Each of the parish and town councils in Dorset have adopted a Code of Conduct for their Councillors and Co-opted Members which they publish on their own website.

A Code of Conduct complaint is one that alleges that a Dorset Council or Dorset parish or town Councillor or Co-opted Member has failed to comply with their council's code of conduct.

Dorset Council is required to have arrangements in place to investigate and reach decisions about Code of Conduct complaints.

These arrangements set out:

1. who you can complain about
2. what you can complain about
3. what cannot be complained about
4. what outcomes are available
5. how to make a complaint
6. how Dorset Council will deal with such complaints
 - A. Initial Check
 - B. Assessment
 - C. No decision due to insufficient information
 - D. Decision - no further action should be taken and the complaint is dismissed.
 - E. Decision – informal resolution
 - F. Decision - refer complaint for investigation
 - G. Changes during an investigation
 - H. Investigation Report
 - I. Monitoring Officer investigation decision
 - J. Audit and Governance (Hearing) Sub-Committee
 - K. ~~Audit and Governance (Assessment) Sub-Committee~~ [Review Panel](#)
7. how Dorset Council will learn from complaints

1. Who can you complain about?

You can complain about Councillors and Co-opted Members of Dorset Council or any Town or Parish Council in the area of Dorset Council. A Co-opted Member is a voting member of a council or one of its committees, who was appointed to their position rather than being elected. Those Councillors and Co-opted Members are referred to as "Subject Member" throughout this Complaint Process.

2. What can you complain about?

You can complain about the conduct of a Subject Member who is in office at the time of your complaint.

The conduct complained of must be covered by the relevant council's Code of Conduct and must have occurred during the Subject Member's time in office.

The conduct complained of must have happened in the last 20 working days. It could be a one-off incident or the last incident in a series of connected events (if a series of connected events is complained of all the connected events may be considered as part of the complaint even if some of the events are older than 20 working days). Only in exceptional circumstances will a complaint received outside the timeframe be considered.

Types of complaint alleging breach of Code of Conduct may include:

- unlawfully discriminating against someone
- failing to treat people with respect
- bullying any person
- intimidating any person involved in any investigation or proceedings about someone's misconduct
- doing something to prevent those who work for the authority from being unbiased
- revealing information that was given to them in confidence, or stopping someone getting information they are entitled to by law
- damaging the reputation of their office or authority, where the conduct is linked to their public role and not in their private capacity
- using their position improperly, to their own or someone else's advantage or disadvantage
- misusing their authority's resources
- allowing their authority's resources to be misused for the activities of a registered political party
- failing to register an appropriate interest correctly
- failing to register any gifts or hospitality (including its source) that they have received in their role as a member worth over £50.00.

3. What cannot be complained about under these arrangements?

The following types of complaint cannot be considered under these arrangements:

- Complaints about a Subject Member who is not in office at the time of the complaint cannot be considered.
- Complaints about conduct which happened before a Subject Member was elected, co-opted or appointed to their council, or after they have resigned or otherwise ceased to be in office cannot be considered.
- Complaints about a council as a whole or people employed by it cannot be considered under these arrangements.
- Complaints about dissatisfaction with a decision or action of a Council, one of its committees or employees, a service provided by a Council or a Council's procedures, cannot be considered under these arrangements.

- Complaints which relate to conduct (one-off incident or the last in a series of connected events) which happened over 20 working days ago, unless there are exceptional circumstances.
- Where the complaint alleges criminal conduct (including failure to register or declare a Disclosable Pecuniary Interest or voting at a council meeting where such an interest exists), this is a matter for the police and cannot be dealt with under the Code of Conduct. The Monitoring Officer will consider whether it is appropriate to refer to the Police. No further action will be taken in relation to such complaints until any related criminal/regulatory investigation, proceedings or processes have been concluded. Complainants may refer criminal allegations directly to the Police.

4. What outcomes are available?

It is important to note that not every complaint about a breach of Code of Conduct will be referred for investigation or informal resolution. Each complaint will be checked and assessed before a decision is made about appropriate action.

While Dorset Council takes its duties and powers regarding the standards regime seriously (and the Procedure set out below ensures that there is a fair process for considering and dealing with standards complaints) there are limitations on the potential outcomes to standards complaints. There are also limitations to the potential sanctions where a Subject Member is found to have broken the Code.

The ability of the Council to impose and enforce meaningful sanctions or remedial action was severely curtailed by the changes to the standards regime introduced by the Localism Act 2011. This Act also repealed all of the preceding ethical governance legislation in its entirety.

Examples of available outcomes (a successful complaint may result in one or a number of these outcomes):

- An apology
- training for the Subject Member
- Mediation with the Subject Member
- Mentoring for the Subject Member
- Removal of the Subject Member from committees or sub-committees
- Removal of the Subject Member from any outside appointments
- Withdrawal of facilities (computer, website, email or internet access) from the Subject Member
- Withdrawal or restricted or chaperoned access to council offices or other premises or named officers
- formal censure of the Subject Member

Outcomes which are not available:

- Suspension of a councillor
- Disqualification of a councillor
- Removal of a councillor from office

5. How to make a complaint

Complaints must be submitted in writing to Dorset Council's Monitoring Officer using the [Code of Conduct complaint form - Dorset Council](#).

You will need to set out details of your complaint including:

- Your contact details. If you are making the complaint on behalf of a number of individuals, please nominate one person as the single point of contact to whom all correspondence will be addressed.
- The identity of the Subject Member you are complaining about. Where a complaint is made against more than one Subject Member, a separate complaint form must be completed in respect of each Subject Member.
- A description of the conduct that has caused you to complain including when and where it took place and any witnesses to the conduct.
- The part of the Code of Conduct you think has been breached (please see the relevant council's website for details of their code of conduct for councillors).
- What remedy or outcome you are asking for (please see section 4 above).

You should submit any written evidence or documents that you have, with your complaint.

It is very important that you set your complaint out fully and clearly and provide as much information as you can at the outset.

For complaints concerning the conduct of a parish or town councillor you will also be asked if you have raised your complaint with the clerk of the council and what attempts have been made to resolve your complaint before submission of a complaint to the Monitoring Officer.

When complete, your form should be sent to the Monitoring Officer:

E-mail: councillorcomplaints@dorsetcouncil.gov.uk

The Monitoring Officer will not normally consider a complaint unless it is in writing and a complaint form has been received. This is to ensure that all of the relevant information is provided and, where necessary, consent to share information has been obtained so that the complaint can be processed.

If you do not have access to the internet or have difficulty completing the form, please contact 01305 224181 for assistance.

Before you complain

Before you send us your complaint, you should be aware that anonymous complaints will not normally be investigated.

You may request that your identity is withheld but this will only be agreed by the Monitoring Officer in exceptional circumstances. The Monitoring Officer has to

balance the right of the Subject Member complained of, who is entitled to properly understand the complaint against them and respond to it, with your rights as Complainant. This normally means that the Subject Member will need to be told about the complaint, including who is making the complaint. You will be informed if your complaint cannot be investigated without disclosing your identity and you will be provided with the opportunity to proceed or withdraw your complaint.

6. How Dorset Council will deal with complaints

A. Initial Check

At this stage your complaint is confidential. You and the Subject Member complained of should not disclose information about the complaint or the outcome of the initial check to anyone else.

The Monitoring Officer will arrange initial checks to ensure that your complaint is covered by the Code of Conduct and these complaint arrangements. An Independent Person will be consulted before any decision is made about next steps.

(An Independent Person is someone appointed by the Council to give an independent view on complaints about Subject Members. They are not employed by the council and act voluntarily. An independent person must be consulted by the Council before it makes its decision on an allegation that it has decided to investigate. The Independent person is also available to be consulted by a Subject Member if their behaviour is the subject of a complaint.)

The initial checks are:

- Is the complaint about a current, individual Subject Member?
 - Is the conduct complained of covered by the council's Code of Conduct for councillors?
 - Did the conduct complained of occur during the Subject Member's time in office?
 - Does the complaint relate to matters where the Subject Member was acting or has given the impression of acting as a councillor or representative of the Council in their official capacity or were they acting in their private capacity?
 - Did the conduct complained of happened in the last 20 working days (one-off incident or the last incident in a series of connected events even if some of them are older than 20 working days) and/or whether there are any exceptional circumstances for considering a complaint received outside this timeframe.
 - Is the complaint about criminal conduct? A referral should be made to Dorset Police and progress of your complaint may be delayed until their advice is received or until they have concluded their processes.
 - Does the complaint raise concerns or allegations about someone who works with a child? A referral may be made to the Local Authority Designated Officer ("LADO") and progress of your complaint may be delayed until their advice is received or until they have concluded their processes.
- The Local Authority Designated Officer (LADO) works within Children's Services and gives advice and guidance to employers, organisations and other

individuals who have concerns about the behaviour of an adult who works with children and young people.

- Does the complaint raise concerns or allegations of harm to an adult at risk? A referral may be made to Adult Safeguarding and progress of your complaint may be delayed until their advice is received or until they have concluded their processes.

[The Council aims to acknowledge complaints w](#)Within 5 working days of [receipt](#). [receiving your complaint it will be acknowledged, y](#)ou will be informed of the outcome of the initial check and whether your complaint is covered by the Code of Conduct and complaint process or not.

Outcomes

Complaint will not proceed to Assessment

You will be informed of a decision that your complaint is not covered by the Code of Conduct and these complaint arrangements, with reasons. This will conclude your complaint and there is no right of appeal.

If your details can be disclosed, the Subject Member will also be informed of your complaint and that it will not proceed.

Complaint proceeding to Assessment

If your complaint is covered by the complaint process, you will be given details of next steps and timescales, including any possible delay (for example, due to a referral to Dorset Police, LADO or Adult Safeguarding). If you have asked for your details to be withheld or to remain anonymous you will be informed if this is agreed. You may also be asked to provide further details of your complaint.

If your details can be disclosed and there is no referral to another agency, the Subject Member will be notified of your complaint (with a copy of the complaint) with details of next steps and timescales. The Subject Member will be provided with contact details for an Independent Person, who they can contact for a view throughout the complaint process. The Subject Member will be asked to provide an initial and brief response to the complaint, details of any witnesses and relevant documents within 10 working days.

If your complaint relates to a Subject Member of a town or parish council, and if your details can be disclosed, the Clerk of the town or parish council will be notified of the outcome of the initial check. If your complaint is proceeding to assessment the Clerk will be invited to provide any relevant factual information within 10 working days.

B. Assessment

The Monitoring Officer will arrange for your complaint to be assessed. As part of the assessment, some preliminary enquiries may be made; for example, relevant parts of the Code of Conduct, any relevant public meeting records or relevant register of interest may be checked.

The likely types of questions and criteria to be considered when assessing your complaint are listed below. The list is not exhaustive and not all questions will be relevant to every complaint:

- Does the complaint contain sufficient evidence to demonstrate a potential breach of the Code of Conduct?
- Does the complaint relate to conduct during a meeting or political debate where a Subject Member may have greater right to freedom of expression (but not personal abuse)?
- Is the complaint the same or substantially the same as a previous complaint which has been dealt with and no new evidence has been provided?
- Has a similar complaint involving the same Subject Member and the conduct or incident been assessed and referred for investigation?
- Does the complaint appear to be malicious, politically motivated, tit-for-tat or have another improper motive?
- Has the Subject Member offered or provided a satisfactory or reasonable remedy to the complaint?
- Is the complaint about a Subject Member who is seriously ill?
- would investigation be in the public interest? For example, does the complaint disclose a minor or technical breach of the Code of Conduct or one which is not serious, or is the conduct a one-off or pattern of behaviour?
- Has there been a general breakdown in relationships at the Subject Member's council or are the allegations about how the conduct of governance of meetings?
- Does the Subject Member lack experience or training?
- Is the issue political?
- Has the Subject Member failed to agree or carry out local resolution?

After consultation with an Independent Person (either in person or electronically), and within the timescale specified, a decision will be made. The possible decisions are set out in sections C – J below.

Ordinarily a decision will be made, but Exceptionally, if it this is not possible for a decision to be made, the complaint may be referred to a Review Panel formal private hearing of the Audit and Governance (Assessment) Sub-Committee for decision. of the Monitoring Officer, who will make a decision in consultation with the Independent Person and 3 members of the Audit and Governance Committee. This consultation may be in writing or in a meeting. Information provided to the Review Panel will include but not be limited to:

- A summary of the complaint;
- The Initial Check outcome;
- Any initial Subject Member response;
- Any information provided by a town and parish council Clerk (if relevant);
- the likely relevant paragraphs of the Code of Conduct;
- any preliminary enquiries (if relevant);
- the current Assessment (including criteria considered and reason for any view);
- the view of the Independent Person and whether this differs from the current assessment view.

~~The process for an (Assessment) Sub-Committee is set out in section K below.~~

C. No decision due to insufficient information.

~~The Council will aim to provide you with an assessment decision w~~Within 5 working days of the date for the Subject Member (or if relevant the town or parish clerk) to provide further information. ~~.,-y~~You will be informed if an assessment decision cannot be made due to insufficient information. You may be given a further opportunity to provide information.

If you do not provide further information, you will be informed that no further action will be taken, and your complaint will be closed. If the complaint is closed that concludes your complaint and there is no right of appeal.

If you do provide further information this will be reviewed, a fresh view of the Independent Person will be obtained, and a decision will be made.

If your details can be disclosed, the Subject Member (and town or parish council clerk if relevant) will also be informed if a decision cannot be made due to insufficient information, if your complaint is closed, or if a decision is made in light of further information provided by you.

At this stage your complaint is confidential. The Subject Member has the option to request publication of the complaint and outcome, but if not, the complaint and outcome will remain confidential and should not be disclose to anyone else.

D. Decision - no further action should be taken and the complaint is dismissed.

~~The Council will aim to provide you with A~~any decision to dismiss your complaint ~~should be made~~ within 5 working days of the last date for you, the Subject Member, or if relevant, the town or parish clerk to provide further information.

Below are some examples of circumstances where no further action may be appropriate:

- There is not sufficient information to demonstrate potential breach of the Code of Conduct;
- The complaint is the same or substantially the same as a complaint previously dealt with or one which has already been referred for investigation and it is not in the public interest to progress the complaint;
- The complaint is trivial or discloses such a minor or technical breach of the Code that it is not in the public interest to progress the complaint;
- The complaint is or appears to be malicious, politically motivated, tit-for-tat or otherwise submitted with an improper motive and does not disclose sufficiently serious potential breaches of the Code to merit further consideration;
- The Subject Member has provided a satisfactory remedy to the complaint;

- There is evidence to suggest a potential breach of the Code, but the circumstances do not warrant further action; for example, serious illness of the Subject Member.

You will be informed of the decision to dismiss your complaint with reasons. If your details can be disclosed, the Subject Member and, if relevant, a town or parish clerk will also be informed. The decision is final and there is no right of appeal.

At this stage your complaint is confidential. The Subject Member has the option to request publication of the complaint and outcome, but if not, the complaint and outcome will remain confidential and should not be disclose to anyone else.

E. Decision – informal resolution

There may be occasions where there is evidence of a potential breach, but instead of an investigation, informal resolution may be appropriate.

Types of informal resolution could include:

- An apology
- Mediation
- Training or mentoring
- Referral to a political group leader
- Referral to the town or parish clerk

Below are some examples of where informal resolution may be appropriate:

- Less serious complaints where the Subject Member wishes to put their actions right;
- A general breakdown in relationships at the Council where other action such as mediation might help;
- Complaints where the public interest in conducting an investigation does not justify the costs of such an investigation;
- Where the Subject Member lacks experience or may benefit from training or mentoring;
- Where the issue appears to be in the political arena and therefore appropriate for referral to a leader(s) of a political group to deal with;
- Where it appears that the town or parish council would be best placed to resolve the issue;
- Where there is the same alleged breach of the Code about several Subject Members in the same council, indicating a poor understanding of the Code and authority's procedures.

Informal resolution may be arranged where you and the Subject Member agree to it but it may also be arranged without your agreement if it is considered to be an appropriate outcome. For example, an apology from the Subject Member could be an appropriate outcome even if you indicate that you may not be satisfied.

At this stage your complaint is confidential.

Intention to arrange Informal Resolution

The Council will aim to notify you of any intention to refer your complaint for informal resolution within 5 working days of the last date for you, the Subject Member, or if relevant, the town or parish clerk to provide further information. ~~you and the Subject Member will be notified of any intention to refer your complaint for informal resolution.~~ The notification will include reasons for the decision, details of the recommended type of informal resolution and a proposed date for it to be completed. You and the Subject Member will be asked to respond with your agreement or refusal within 5 working days.

Following a fresh view of the Independent Person, the Council will aim to provide you with a decision about informal resolution within a further 5 working days ~~of the date for response, a fresh view of the Independent Person will be obtained and a decision will be made~~; this decision may be to continue with informal resolution, or to refer your complaint for investigation.

Decision to arrange Informal Resolution

You and the Subject Member will be notified of any decision to arrange informal resolution, with reasons, details of the type of informal resolution and a date for it to be completed.

Informal resolution is completed

If the informal resolution is completed by the required date (including any extension), this will be confirmed in writing to you, the Subject Member (and if relevant the town or parish council clerk) and will conclude your complaint, with no right of appeal.

Your complaint will be confidentially reported for noting at a meeting of the Audit and Governance Committee of Dorset Council (and if relevant, to a meeting of the town or parish council), unless the Subject Member asks for the decision to be published.

Informal Resolution is not completed

If the informal resolution does not take place by the required date, your complaint will be re-assessed, including the reasons the informal resolution has not be completed, and a fresh view from an Independent Person.

The Council will aim to inform you, the Subject Member (and if relevant the town or parish clerk) of the outcome of the re-assessment within 5 working days of the date for informal resolution to be completed, ~~you, the Subject Member (and if relevant the town or parish clerk) will be informed of the outcome of the re-assessment~~ which may result in:

- the timescale for completion of the informal resolution being extended, which will be monitored for completion;
- the complaint being dismissed (which would conclude the complaint with no appeal);
- referral for investigation.

F. Decision - refer complaint for investigation

If your complaint is assessed as raising a potential breach of the Code of Conduct it may be referred for investigation. Below are some examples where a referral for investigation may be appropriate:

- The complaint is serious enough to warrant investigation;
- A Subject Member has failed to agree to or carry out local resolution.

~~The Council will aim to notify you of a decision to refer your complaint for investigation, with reasons and the name of the Investigating Officer within 5 working days of the last date for you, the Subject Member, or if relevant, the town or parish clerk to provision of~~ further information, or the date for completion of informal resolution, ~~you will be informed of a decision to refer your complaint for investigation, with reasons and the name of the Investigating Officer.~~

If your details can be disclosed, the Subject Member and, if relevant, a town or parish clerk will also be informed. The Subject Member is expected to cooperate with the investigation and may be accompanied or represented at any meetings with the Investigating Officer. If the Subject Member fails to co-operate with an investigation, it will proceed and report will be prepared.

Where a decision is made to refer your complaint for investigation an Investigating Officer will be appointed. This could be an appropriately skilled council officer from this or another council, or another external investigator.

The Investigating Officer will contact you and (if your details can be disclosed) the Subject Member as part of their investigation. The conduct of the investigation will depend on the details of your complaint and may include, interviews, gathering of information and witness details, preparation of a chronology of events or documents and a written report with recommended findings.

Your complaint remains confidential during the investigation at least until the Investigation Report has been finalised.

G. Changes during an Investigation

Sometimes circumstances change during an investigation. These could include:

- The case appears to the Investigating Officer to be less serious than it initially seemed;
- There may be no direct evidence;
- It may become clear the actions complained of were private and not conducted in the Subject Member's official capacity;
- The Subject Member may be too ill to engage with the complaint process;
- The Subject Member may have resigned or left office as a result of an election;
- The Subject Member may wish to make an apology;
- Evidence may be uncovered which requires referral to Dorset Police, the LADO or Adult Safeguarding;
- Additional possible breaches of the Code of Conduct may be discovered.

If a change of circumstances occurs the Investigating Officer should refer to the Monitoring Officer, who should seek the views of the Independent Person before continuing, halting or pausing the investigation.

If additional possible breaches are discovered the Investigating Officer will need to refer to the Monitoring Officer for a view about adding the allegation to the investigation or requesting a further complaint form be submitted (to be checked and then assessed in the normal way).

The Monitoring Officer will inform you, the Subject Member, and if relevant the town or parish council clerk of any decision to continue, pause or halt an investigation, add an allegation to the investigation or request a further complaint form, with reasons and timescales.

H. Investigation Report

The Investigation Report should contain:

- (a) a summary of the complaint;
- (b) the relevant sections of the Code of Conduct;
- (c) relevant evidence, legislation, policies, protocols and case law;
- (d) a chronology of events leading to the complaint;
- (e) a chronology of the complaint process;
- (f) summary of any interviews (including any lack of cooperation);
- (g) the agreed and non-agreed facts (finding of facts);
- (h) any conflicting evidence;
- (i) a recommendation about whether a breach has occurred (on a balance of probabilities);
- (j) reasons for the recommendation.

The Investigating Officer will aim to send their draft report to the Monitoring Officer and Independent person wWithin 6 months of the decision to refer your complaint for investigation (unless a change in circumstances has occurred or the Monitoring Officer has agreed to an extension) ~~the Investigating Officer will send their draft report to the Monitoring Officer and Independent Person~~. The Monitoring Officer and Independent Person will review the report and confirm if the investigation is of acceptable standard and meets the scope of the complaint or if they have other comment.

The draft report will then be supplied to you and the Subject Member with a timescale for response. Any response will be considered before the Investigating Officer finalises their report and submits it to the Monitoring Officer.

I. Monitoring Officer Investigation Decision

Having received the Investigation Report the Monitoring Officer will ask the Independent Person and the Chair of Audit and Governance Committee (or Vice Chair in their absence) for their a-view about the recommendation and will then make one of the following decisions:

- No breach of the Code of Conduct and the complaint is dismissed;
- Breach of the Code of Conduct but no further action;

- Breach of the Code of Conduct and a referral for informal resolution;
- Breach of the Code of Conduct and referral for hearing by the Audit and Governance (Hearing) Sub-Committee.

The Monitoring Officer will aim to issue the decision to you, the Subject Member, the Independent Person and if relevant, the town or parish clerk within 10 working days of receiving the Investigation Report ~~the Monitoring Officer will issue the decision to you, the Subject Member, the Independent Person and if relevant, to the town or parish council clerk.~~

For any decision of no breach, breach but no further action, or breach and referral for informal resolution this decision is final with no right of appeal. A confidential summary of the outcome will be provided to the Audit and Governance Committee (and if relevant a town and parish council). The decision will not be published unless the Subject Member requests it.

Where the decision is to refer the complaint for informal resolution, the process in Section E above (from Decision to arrange Informal Resolution) will apply.

Where the decision is to refer the complaint for hearing by the Audit and Governance (Hearing) Sub-Committee the Monitoring Officer will notify Democratic Services and ask them to aim to arrange a (Hearing) Sub-Committee and a hearing date within 3 months of the date of the Investigation Report (unless the hearing must be delayed due to other parallel investigations e.g. Dorset Police).

J. Audit and Governance (Hearing) Sub-Committee

Once notified of a referral for hearing Democratic Services will:

- Establish a (Hearing) Sub-Committee (consisting of 3 members of the Audit and Governance Committee)
- Arrange an informal private pre-meeting or briefing for the (Hearing) Sub-Committee with the Monitoring Officer or Deputy (who will be legally advising the Sub-Committee at the hearing) no less than 3 weeks before the hearing date.
- Aim to A arrange a hearing date within 3 months of the date of the Investigation Report.

You, the Independent Person, the Investigating Officer and if relevant the town or parish clerk will be notified of the date and procedure for the hearing. The Investigating Officer will be asked if they will be calling witnesses.

The Subject Member will be notified of the date and procedure for the hearing, and will be asked to provide the following information within a set period of time:

- a brief written response;
- if they will be accompanied or represented at the hearing;
- if they wish to give written or verbal evidence at the hearing;
- if they wish to call any relevant witness who has been interviewed by the Investigating Officer and whose evidence appears in the Investigation Report;

- if they want to request any part of the Investigation Report, or documents or hearing be held in private session, with reasons.

Informal and Private Pre-meeting or briefing

The main purpose of the informal and private meeting or briefing is to enable the (Hearing) Sub-Committee to prepare and deal with matters more fairly and economically at the hearing including:

- Deciding whether any findings of fact in the report are in dispute and how relevant they will be at hearing;
- Identifying any additional evidence the (Hearing) Sub-Committee wants to see;
- Identifying any witnesses it wants to hear from;
- Deciding any limit on numbers of witnesses;
- Deciding the relevance of any witnesses who the Subject Member or Investigating Officer wants to call bearing in mind proportionality;
- Identifying any parts of the hearing which are likely to be held in private or parts of reports to be withheld from public “exempt” – the (Hearing) Sub-Committee have final decision at the hearing;
- Identify any potential conflicts of interest;
- Consider who will likely Chair the hearing.

The meeting or briefing may be in person, on-line or paper based and will be supplied with any updated information received from you and the Subject Member. The meeting or briefing is attended by the (Hearing) Sub-Committee, Monitoring Officer or Deputy and Democratic Service officer who is arranging and supporting the (Hearing) Sub-Committee meeting. You, the Subject Member, the Independent Person and Investigating Officer will not be invited to attend. The (Hearing) Sub-Committee will not be debating the merits of the complaint at this meeting or briefing and it is not a formal committee meeting.

Hearing

At least 2 weeks before the hearing date, you, everyone involved in the complaint will be notified of the date, time and place for the hearing, whether the Subject Member will be accompanied or represented, listing witnesses who will be asked to give evidence and an outline of the procedure for the hearing.

If the Complainant or Subject Member or their witness(es) are unable to attend the hearing on the date arranged they should contact the Democratic Services officer who is arranging the hearing as soon as possible, with reasons. The Monitoring Officer or Deputy will be notified, will consult with the (Hearing) Sub-Committee and decide if another date needs to be found or if they hearing will proceed on the date arranged. Depending on circumstances a hearing may proceed in the absence of a Complainant, Subject Member or their witness(es). All attendees will be provided with an update and the decision will be reported at the hearing.

The hearing is a formal Committee meeting and normal Committee rules will apply including publication of an agenda in advance of the hearing, and publication of a minute after the meeting.

The hearing will be a public meeting unless the Subject Member requests the hearing takes place in confidential session and the (Hearing) Sub-Committee agrees.

All those attending, including the (Hearing) Sub-Committee will have received the Investigation Report in advance of the hearing, but it is not published as part of the Agenda in advance of the hearing. This is to allow the Sub-Committee opportunity to consider any request from the Subject Member to hold the hearing in closed confidential session.

At the hearing, the Investigating Officer will present their report and ask to hear from any witnesses. Questions may be asked of the Investigating Officer and their witnesses by the Subject Member (or their representative), the (Hearing) Sub-Committee and the Independent Person. The Subject Member (or their representative) will be invited to present their response and ask to hear from any witnesses. Questions may be asked of the Subject Member and their witnesses by the Investigating Officer, the (Hearing) Sub-Committee and the Independent Person.

The (Hearing) Sub-Committee will seek any legal and procedural advice from the Monitoring Officer or Deputy and the view of the Independent Person in the open hearing before they retire with the Monitoring Officer or Deputy, Independent Person and Democratic Services officer supporting the meeting, to make their decision about whether a breach of the Code of Conduct has occurred (on balance of probabilities). The Monitoring Officer or Deputy and the Independent Person attends the private deliberation to enable the (Hearing) Sub-Committee to ask for advice and seek views if necessary. The Monitoring Officer or Deputy and Independent Person do not take part in decision making about whether a breach has occurred.

Any legal or procedural advice from the Monitoring Officer or Deputy or view of the Independent Person given during the private deliberation will be repeated to the public meeting.

The (Hearing) Sub-Committee may return to the hearing to ask further questions and recommence their private deliberations.

If the (Hearing) Sub-Committee decide that no breach has occurred, that decision will be final, will conclude the hearing and the complaint with no right of appeal.

If the (Hearing) Sub-Committee decide that a breach has occurred, they will invite representations about aggravating or mitigating factors from the Investigating Officer and Subject Member (or their representative). As above, the (Hearing) Sub-Committee will seek any legal and procedural advice and view of the Independent Person in the open hearing before retiring with the Monitoring Officer or Deputy, Independent Person and Democratic Services officer supporting the meeting, to make their decision about an appropriate sanction.

Any sanction should be reasonable, proportionate and relevant to the Subject Member's conduct which is the subject of the complaint. [A \(Hearing\) Sub-Committee may decide to issue one or a number of sanctions.](#) Typical sanctions include (but are not limited to):

- Issue (or recommend the parish council issue) formal censure;
- Recommend to a Subject Member's group leader (or council if ungrouped) they be removed from any or all committees or sub-committees (or recommend this action to the town or parish council);
- Recommend to the Leader of the council that the Subject Member be removed from positions of responsibility;
- Instruct the Monitoring Officer to (or recommend the town or parish council) arrange training for the Subject Member;
- Recommend to the Subject Member's Group Leader (or recommend to the town or parish council) that the Subject Member be removed from all outside appointments;
- Instruct (recommend to the town or parish council) the Chief Executive of the council to arrange withdrawal of facilities from the Subject Member for a specified period (e.g. computer, website, email or internet access);
- Instruct (recommend to parish council) the Chief Executive of the council to arrange exclusion of the Subject Member from the council's offices or other premises for a specified period with the exception of meeting rooms necessary for attending council, committee and sub-committee meetings or restricts contact with officers to named officers only;
- If relevant recommend to the secretary or official of a political group that the Subject Member be removed as a group leader or other position of responsibility.

Any legal or procedural advice from the Monitoring Officer or Deputy or view of the Independent Person given during the private deliberation will be repeated to the public meeting.

The (Hearing) Sub-Committee will aim to provide their decisions (in writing) about breach and any sanction at the hearing but may reserve their decisions to a later date.

The decision of the (Hearing) Sub-Committee is final and there is no right of appeal.

The Council will aim to provide you, the Subject Member and the Independent Person with the full written decision and minutes of the hearing wWithin 5 working days of the hearing ~~you, the Subject Member and Independent Person will receive a full written decision and minutes of the hearing.~~ The decision, minutes and Investigation Report (if the hearing was open to the public and subject to any necessary redaction for data protection purposes) will be published on Dorset Council's website in accordance with normal committee publication arrangements.

If the complaint relates to a Dorset Council Subject Member and the hearing was open to the public the decision will be reported to the next Dorset Council meeting for information only (subject to any necessary redaction for data protection purposes)

If the complaint relates to a town or parish council Subject Member, the Council will aim to provide the town or parish council clerk with a full written decision within 5 working days of the hearing. ~~The the town or parish council clerk will be informed if receive a full written decision, confirmation~~ the hearing was held in open or closed session and of any actions or decisions which need to be taken by the town or parish

council. The decision should be taken to the next full council meeting of the town or parish council.

A town or parish council ~~must meet to can~~ decide whether to impose a recommended sanction. If they ~~do not~~ wish to ~~agree the recommended sanction~~ ~~replace it with another sanction~~, they ~~must should~~ first ~~consult take advice from their clerk or~~ the Monitoring Officer. ~~They~~ A town or parish council cannot overturn a Sub-Committee decision about whether a breach of their Code of Conduct occurred.

A town or parish council clerk should report back to the Monitoring Officer within 3 months of the (Hearing) Sub-Committee to confirm their council has met to decide on sanction and to confirm when the sanction has been fulfilled.

Failure of a Subject Member to comply with a sanction may be a further breach of the relevant council's Code of Conduct.

K. ~~Audit and Governance (Assessment) Sub-Committee~~

~~Ordinarily an officer decision will be made at the Assessment stage whether to progress the complaint, and if so how. If this is not possible, the complaint may be referred to a formal and exempt meeting of the Audit and Governance (Assessment) Sub-Committee for decision.~~

~~Once notified of a referral for assessment Democratic Services will:~~

- ~~• Establish an (Assessment) Sub-Committee (consisting of 3 members of the Audit and Governance Committee)~~
- ~~• Arrange an exempt meeting date at the earliest possibility.~~

~~You, the Subject Member and if relevant the town or parish clerk will be notified that an (Assessment) Sub-Committee meeting is being arranged. You and the Subject Member will not be invited to attend as this meeting is in place of the internal officer decision, which is a paper-based decision, having asked for the view of the Independent Person.~~

~~The Independent Person will be invited to attend to give their view to the Sub-Committee.~~

~~The meeting is a formal Committee meeting and normal Committee rules will apply including publication of an exempt agenda in advance of the hearing, and publication of an exempt minute after the meeting.~~

~~At the meeting, the Monitoring Officer or their representative will present a report of all information relating to the complaint, including but not limited to_:~~

- ~~• The Initial Check outcome;~~
- ~~• A summary of the complaint;~~
- ~~• Any initial Subject Member response;~~
- ~~• Any information provided by a town and parish council Clerk (if relevant);~~
- ~~• the likely relevant paragraphs of the Code of Conduct;~~

- ~~any preliminary enquiries (e.g. meeting minutes or Register of Interest entries);~~
- ~~the current Assessment (including criteria considered and reason for any view);~~
- ~~the view of the Independent Person and whether this differs from the current assessment view.~~

~~The (Assessment) Sub-Committee will seek any legal and procedural advice from the Monitoring Officer or Deputy and seek the view of the Independent Person before they decide whether and if so, how the complaint should progress. The available options are set out in sections C—F above:~~

~~No decision due to insufficient information~~

~~Decision—no further action should be taken and the complaint is dismissed~~

~~Decision—informal resolution~~

~~Decision—refer complaint for investigation~~

~~The decision of the Assessment Sub-Committee is final and there is no right of appeal.~~

~~Within 5 working days of the Assessment Sub-Committee meeting, you, the Subject Member, the Independent Person and if relevant the town or parish council clerk will receive a full written decision and minutes of the meeting.~~

~~If the Assessment Sub-Committee decide that no decision can be made due to insufficient information or no breach has occurred, that will conclude your complaint with no right of appeal. This will be confirmed to you in accordance with the provisions in sections C and D above.~~

~~If the Assessment Sub-Committee decide that informal resolution or a referral for investigation is appropriate, your complaint will progress and this will be confirmed to you in accordance with the provisions of section E or F above.~~

~~An exempt version decision and minutes will be published on Dorset Council's website in accordance with normal committee publication arrangements.~~

7. How Dorset Council will Learn from Complaints

Things do not always happen in the way they should and councillors and co-opted members do not always behave as they should, in accordance with their Code of Conduct.

Dorset Council is a learning organisation. Sometimes a hearing might result in sanctions being imposed upon a Subject Member but it is also important for all councillors and co-optees to be able to learn from complaints.

In addition to acting upon individual complaints the Council will, through the Audit and Governance Committee, receive monitoring information about complaints and an annual report on councillor and co-opted member conduct. The focus in doing so will be upon helping individual councillors, Dorset Council as a whole and the 163 Parish and Town Councils in Dorset to maintain high standards of conduct.

Audit and Governance Committee Work Programme 2024-25

9 December 2024		
Treasury Management Mid-Year Review 2024/25	Report	Officer Contact- David Wilkes
Councillor Code of Conduct and Complaint Process	Report	Officer Contact- Grace Evans
ISA 260 2021/22- Dorset Council and Dorset Pension Fund	Report	Officer Contact- Heather Lappin
ISA 260 2022/23- Dorset Council and Dorset Pension Fund	Report	Officer Contact- Heather Lappin
Update on Our Future Council Work	Update	Officer Contact- Aidan Dunn

13 January 2025		
Quarterly Risk Management Update	Update Report	Officer Contact- David Bonner/ Chris Swain
SWAP Update Report	Update Report	Officer Contact- Sally White/ Angie Hooper
Q2 2024/25 Budget Monitoring Report	Report	Officer Contact- Sean Cremer
Progress Update on the Information Governance Paper	Update	Officer Contact- Marc Eyre/ James Fisher
Corporate Complaints Policy and Managing Unreasonable Customer Behaviour Protocol	Report	Officer Contact- Marc Eyre
Update on Our Future Council Work	Update	Officer Contact- Aidan Dunn

24 February 2025		
Q3 2024/25 Budget Monitoring Report	Report	Officer Contact- Sean Cremer
ISA 260 for the 2023/24 Audit	Report	Officer Contact- Heather Lappin/Jackson Murray
Update on Our Future Council Work	Update	Officer Contact- Aidan Dunn

14 April 2025		
Annual Governance Statement	Statement	Officer Contact- Marc Eyre
Quarterly Risk Management Update	Update Report	Officer Contact- David Bonner/Chris Swain
Planning Paper for 2025-26	Planning Paper	Officer Contact- Sally White/ Angie Hooper
Annual Internal Audit Opinion 2024-25	Opinion Report	Officer Contact- Sally White/Angie Hooper
SWAP Update Report	Update Report	Officer Contact- Sally White/Angie Hooper
Update on Our Future Council Work	Update	Officer Contact- Aidan Dunn

Other items raised by Audit and Governance Committee requiring further consideration.

Issue	Notes	Date raised
Creation of Task and Finish Group for Councillor Code of Conduct.		08/07/24

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