

Ethical Framework Update

Standards Committee

Date: 18th March 2013

Author:	Director of Law and Democratic Services / Head of Internal Audit
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To provide an update on various matters related to the Ethical Framework, to keep the Committee informed of issues of probity in the Council.

2. Recommendations

The Committee is recommended to:

- 2.1 Note the Ethical Framework update.
- 2.2 Recommend that the Council amend the Members Code of Conduct to reflect the updated principles of public life in the 14th report of the Committee on Standards in Public Life as set out in Appendix '1', to promote consistency with the standards to which other holders of public office are held.
- 2.3 Review the process and questionnaire for the preparation of the Council's Annual Governance Statement, and recommend to the Head of Internal Audit any changes or any additional areas/questions on which Board Directors and Tier Two officers should be asked to give assurance.
- 2.4 Consider the adoption of an Independent Person Protocol as at Appendix '4'.
- 2.5 To note the Council's subscription with Standards Exchange, to enable sharing of best practice in relation to standards and governance matters.

3. Detail

The 14th Report of the Committee on Standards in Public Life

- 3.1 In its latest report issued in January 2013, the Committee on Standards in Public Life has reviewed the seven principles of public life. When adopting the new Members Code of Conduct in July 2012, Members agreed that the preamble to the Code should include an expansion of the 7 principles as this was thought helpful. These are set out on page 245 of the current Constitution, and comprise:
- Selflessness
 - Integrity
 - Objectivity
 - Accountability

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- Openness
- Honesty
- Leadership

- 3.2 As it would be preferable for Borough Councillors to be acting on the same basis as other holders of public office, it is suggested that the current preamble to the Code be amended to accord with that set out in the 14th Report (Appendix 1 refers). This seeks to achieve consistency rather than introduce any substantive changes.
- 3.3 The Corporate Governance Review Working Group was asked for their views on this amendment to the Code at their meeting on 7th March 2013.

Annual Governance Statement

- 3.4 The Annual Governance Statement (AGS) is a formal statement that recognises, records and publishes an authority's governance arrangements. It is designed not only to give an opportunity for authorities to consider the robustness of their governance arrangements, but also provide an accurate representation of arrangements in place during the year and to identify areas where improvement is required.
- 3.5 The 'Use of Resources' key lines of enquiry required that the Council's Corporate Board or equivalent is responsible for ensuring an adequate system of internal control is in place, and for reviewing and reporting on the effectiveness at least annually in a governance statement (the AGS). The guidance states that the AGS should be an open and honest self-assessment of its performance across all of its activities. It should contain a clear statement of the actions taken, or required, to address areas of concern.
- 3.6 The process used last year, for the preparation of the Council's Annual Governance Statement, is set out in Appendix '2'. The Committee is asked to review this process and recommend its adoption for the preparation of this year's statement.
- 3.7 Last year, as part of this process, Audit Committee asked Standards Committee for assurance regarding the following areas:
- Whistleblowing
 - Code of Conduct for Members and staff
- 3.8 In order to provide the necessary assurance across all service areas, all Board Directors and Tier two officers will be asked to complete an assurance statement. The statement covers a number of areas including: staff; internal control arrangements and fraud risk assessments.

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- 3.9 The Committee is asked to review last year's questionnaire ('Appendix 3') and recommend any changes they feel are required including the addition of any areas/questions on which Board Directors and Tier two officers should be asked to give assurance.

Dispensations

- 3.10 Section 33 of the Localism Act 2011 enables Members who consider that they may have a disclosable pecuniary interest (DPI) to apply for a dispensation to allow them to speak and vote. No such dispensations have been granted by the Monitoring Officer in consultation with the Chair of the Standards Committee, since the last meeting.

Independent Person Protocol

- 3.11 The Independent Persons attended a workshop in September 2012, which discussed the role of the Independent Persons. Subsequently, an Independent Persons Protocol was prepared and circulated by those running the workshop (Hoey Ainscough Associates Ltd).
- 3.12 The Council has complete discretion as to whether to adopt a protocol for its Independent Persons or not. This was a generic document and the Monitoring Officer has amended it to accord with the arrangements that the Council has adopted for considering Code of Conduct Complaints.
- 3.13 The suggested draft protocol for this Council is attached at Appendix '4' for the Committee to consider and decide whether to adopt it or consult further on it.

Parish Councils

- 3.14 The Committee received an update on Parish Council training, adoption of a Members Code of Conduct and publish registers of interests at the last meeting, and asked for a further update on the information to be reported at this meeting.
- 3.15 A summary of Parish Council information is attached at Appendix '5'.
- 3.16 The Monitoring Officer is due to provide training to Chiseldon Parish Council on 26th March 2013 on the Code of Conduct, and this training is available to other parish councillors who have adopted the same Code of Conduct.

Standards Exchange

- 3.17 The Council has subscribed to an interactive website, Standards-Exchange. This site is designed to be a repository of knowledge and good practice in relation to standards matters. It gives the opportunity to exchange ideas and issues with other members of the standards community, and is being run by Paul Hoey (of *Hoey Ainscough Associates Ltd*). The annual subscription fee for the Council is £300 + VAT, and the costs are being met from existing budgets.

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4. Alternative Options

- 4.1 Any alternative options are set out in the body of the report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Any financial or procurement implications will be contained within the existing budget.

Legal and Human Rights Implications

- 5.2 The legal and human rights implications, where applicable, are set out in the body of the report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 There are no other implications that have been identified as important for this report.

Links to One Swindon, Plans and Policies

- 5.4 Monitoring of issues of probity in the Council underpins the Council's plans and policies and the delivery of One Swindon objectives.

Diversity Impact Assessment

- 5.5 A Diversity Impact Assessment has not been completed for this report, as it does not recommend a change in Council policy or service.

Risk Management

- 5.6 A risk assessment has not been completed in relation this report, as it does as it does not recommend a change in Council policy or service. Arrangements for meeting the requirements of the Localism Act and monitoring probity of the Council, ensures that good governance is maintained and protects the reputation of the organisation.

6. Consultees

- 6.1 The Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

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8. Appendices

- 8.1 Appendix 1 – Seven Principles of Public Life from the 14th Report of the Committee on Standards in Public Life
- 8.2 Appendix 2 - Process for the preparation of the Council's Annual Governance Statement (2012)
- 8.3 Appendix 3 – Annual Governance Statement Questionnaire 2012
- 8.4 Appendix 4 – Suggested Independent Persons' Protocol
- 8.5 Appendix 5 - Update on Parish Training, adoption of a New Members Code of Conduct and Registers of Interests.