

Report for Information

Report to Standards Committee

4

21 July 2008

Report of Head of Legal and Democratic Services

Subject Annual Report of Monitoring Officer

Purpose

To summarise the key works carried out in 2007/08 and provide an assurance that the Council's control measurement, the areas which are the responsibility of the Monitoring Officer, is adequate and effective.

Recommendations

That the report be noted.

Financial Consequences

There are no direct financial consequences of this report.

Contact Officers

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Background Documents

None

Report

1. Introduction and background

- 1.1 The Head of Legal and Democratic is the Council's statutory Monitoring Officer.
- 1.2 The Monitoring Officer's Annual report supports the assurance statements, included in the Annual Governance Statement. It provides a review of the Monitoring Officer's work as part of the Council's governance arrangements and system of internal control.
- 1.3 The chief responsibilities of the Monitoring Officer can be summarised as follows:-
 - (a) a duty to report to the Council and the Executive in any case where the Monitoring Officer is of the opinion that any proposal or decision is or is likely to be illegal or to constitute maladministration;
 - (b) a range of functions relating to Member conduct;
 - (c) specific functions under the Council's Constitution.
- 1.4 The ability of the Monitoring Officer to undertake this role effectively depends on excellent working relations with colleagues and Members and on the flow of information and access to debate particularly at early stages. The scope of the work also extends to partnership arrangements.

2. Monitoring Officer Annual Report

- 2.1 This report summarises the more important matters arising from the Monitoring Officer's work for the City Council in 2007/08 and comments on other current issues.
- 2.2 Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. It is founded on the fundamental principles of openness, integrity and accountability together with the overarching concept of leadership. In this respect, Norwich City Council recognises the need for sound corporate governance arrangements and over the years has put in place policies, systems and procedures designed to achieve this. The City Council has adopted a Code of Corporate Governance as a means of drawing together all the positive elements of corporate governance which it already has in place.
- 2.3 In 2001 CIPFA and SOLACE produced a framework of good governance for use in local government. The framework recommended that local authorities review their existing governance arrangements and report annually on their effectiveness. This is done through the Audit Committee.

- 2.4 The Monitoring Officer is appointed under Section 5 of the Local Government and Housing Act 1989 and has a number of statutory functions in addition to those more recently conferred under the Local Government Act 2000 and subsequent regulations governing local investigations into member conduct.

3. Key messages

- 3.1 The key messages to note from the year are:

- A new model Code of Conduct for members was introduced pursuant to the Local Authorities (Model Code of Conduct) Order 2007. The new Code was adopted by the Council on 25 September 2007 and members continue to receive training on the new Code.
- In October 2007 the Local Government and Public involvement in Health Act came into force and members were made aware of changes to the procedures for determining standards complaints. (The regulations bringing in the new local determination provisions came into effect in May 2008 and will be reported on in the 2008-9 report of the Monitoring Officer).
- There have been no 'reportable incidents' during the period 2007/08.
- That the systems of internal control administered by the Monitoring Officer including compliance to the Code of Corporate Governance and the Council's Constitution were adequate and effective during 2007/08 for the purposes of the latest regulations.
- The Council has arrangements in place to ensure compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful.
- There are standing orders, financial regulations, procurement regulations and a scheme of delegation in place and these are reviewed and updated as appropriate.
- The Council is proactive in raising the standards of ethical conduct among members and staff, including the provision of ethics training and has put in place arrangements for monitoring compliance with standards of conduct across the Council including:
 - Code of Conduct for Local Government Employment
 - Code of Conduct for Members
 - Protocol for Members/Officers Working Arrangements
 - Register of interests
 - Register of gifts and hospitality
 - Complaints procedure (which is being reviewed)

- The Council can demonstrate that its Members and staff exhibit high standards of personal conduct. Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and pecuniary interests. There is evidence that members and staff are making appropriate disclosures in the registers and that they are regularly reviewed.
- The Council has arrangements in place to receive and investigate allegations of breaches of proper standards of financial conduct and fraud and corruption.
- There is a whistleblowing policy which is publicised and demonstrates the Council's commitment to providing support to whistleblowers and has been communicated to staff and those parties contracting with the Council. The Council can demonstrate its staff, and staff within contracting organisations, have confidence in the whistleblowing arrangements and feel safe to make a disclosure.
- The Team within Legal and Democratic Services is accredited to the Law Society's Lexcel quality standard and has arrangements in place to ensure the quality of the service provided.
- During the year reports are provided to the Standards Committee and ad hoc reports on major legislative and governance issues are provided to the Corporate Management Team.

4. Results of the Monitoring Officers work in 2007/08

- 4.1 In order to ensure the effective undertaking of the duties, the Monitoring Office has a number of duties which are set out in the table below:-

DUTIES	EXAMPLES
Had regular meetings with the Chief Executive and Head of Finance in order to review current and likely future issues with legal, constitutional or ethical implications.	During the year the Constitution was updated to reflect changes in legislation, including updating standards matters, financial regulations and procurement regulations.
Maintained good liaison and working relations with the Standards Board and District Auditor.	The Monitoring Officer has attended seminars and workshops of the Standards Board. The District Auditor would be consulted if reportable incidents arose.
Ensured that the City Council is kept up to date on new legislation and changes in the law which are relevant to the carrying out of the City Council's activities.	This generally takes the form of reports to Members and briefing notes to Corporate Management Team but where appropriate will involve training sessions for relevant Members and Officers.

DUTIES	EXAMPLES
The Monitoring Officer or the Council's Solicitor have been consulted at an early stage on new policy proposals and on matters, which have potentially significant legal implications.	The Monitoring Officer and the Council's Solicitor are regularly consulted on new policy proposals.
All draft reports to the Executive are as a matter of routine cleared by the Monitoring Officer on his senior staff.	All reports are routinely forwarded to the Monitoring Officer and his staff by service areas and are reviewed for their legal and ethical implications.
<p>The Monitoring Officer has been informed of all emerging issues of concern of a legal, ethical or constitutional nature.</p> <p>Similarly, Members have ensured that the Monitoring Officer is routinely informed and consulted in respect of new policy proposals.</p>	<p>Directors and Heads of Services are aware that they must consult the Monitoring Officer on all legal, ethical or constitutional matters and they regularly do so.</p> <p>Members can rely on the fact that all reports are routinely reviewed by the Monitoring Officer or his senior staff, prior to their presentation to the Executive or other committees.</p>
The Monitoring Officer has sought to resolve any potential illegality by identifying alternative and legitimate means of achieving the objective of the proposal.	The Monitoring Officer and the Solicitor to the Council regularly advise on the legality and/or appropriateness of administrative procedures and the legitimate means of achieving the objectives.
In appropriate cases, and to secure the rapid resolution of a potential reportable incident or avoid a separate statutory report, the Monitoring Officer receives a full set of paper for the CMT and is entitled to attend meetings to advise.	There have been no such incidents during 2007/08.
Where the Monitoring Officer receives a complaint of a potential reportable incident, he must in appropriate cases seek to resolve the matter amicably, by securing that any illegality or failure of process is rectified. However, it is recognised that the Monitoring Officer may decide that the matter is of such importance that a statutory report is the only appropriate response.	There have been no incidents requiring a statutory report during 2007/08.

Cont'd

5. Overall opinion on the adequacy and effectiveness of the Governance framework

- 5.1 That the systems of internal control administered by the Monitoring Officer including the Code of Corporate Governance and the Council's Constitution, were adequate and effective during 2007/08 for the purposes of the latest regulations.