

Report to Standards committee
8 July 2016
Report of The monitoring officer
Subject Annual report of the monitoring officer

Item

7

Purpose

To summarise the key work carried out from 23 February 2016 to 21 June 2016 and provide an assurance that the council's control measures to the areas which are the responsibility of the monitoring officer are adequate and effective.

Recommendation

To receive the annual report of the monitoring officer.

Corporate and service priorities

The report improves the council's corporate governance framework and helps to protect the interests of the council.

Financial implications

There are no direct financial consequences of this report.

Contact officers

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Background documents

None

Report

Introduction and background

1. The monitoring officer's report supports the assurance statements, included in the annual governance statement. It provides a review of the monitoring officer's work as part of Norwich City Council's ('the council') governance arrangements and system of internal control.
2. The chief responsibilities of the monitoring officer can be summarised as follows:-
 - (a) a duty to report to council and cabinet 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.
3. 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.

Monitoring officer annual report

4. The monitoring officer's annual report summarises matters arising from the monitoring officer's work for the council in 2016 and comments on other current issues.
5. The monitoring officer was appointed deputy monitoring officer on 23 February 2016 and the monitoring officer on 22 March 2016.
6. 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, the 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 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.
7. 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 concerning local investigations into member conduct, including the Localism Act 2011.

Key messages

8. The key messages to note are:

- a) Between March 2016 to the present, none of the council's elected or co-opted members was found to have breached the code of conduct for members.
- b) There have been a few matters referred to the monitoring officer but these have been dealt with informally, although one may be referred for investigation.
- c) All councillors are trained in the code of conduct for members as part of the council's training and development programme, as well as the induction process for newly elected members. Training on monitoring officer issues is scheduled for 5 July 2016.
- d) The monitoring officer has continued to be available to give advice to individual members regarding member behaviour and conduct concerns.
- e) 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 the period of this report.
- f) The council has arrangements in place to ensure compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful i.e. the monitoring officer considers all reports to cabinet, council and committees and is consulted on policy development.
- g) There are standing orders, standing financial regulations and a scheme of delegation for members and officers in place and these are reviewed and updated as appropriate.
- h) 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:
 - i) Code of conduct for local government employment
 - ii) Code of conduct for members
 - iii) Protocol for members/officers working arrangements

- iv) Register of interests
- v) Register of gifts and hospitality
- vi) Complaints procedure
- vii) Whistle-blowing policy
- viii) Fraud policy
- i) The council can demonstrate that its members and staff exhibit high standards of personal conduct. Members and officers are aware of the need to make appropriate disclosures of gifts, hospitality and pecuniary interests. There is evidence that members and officers are making appropriate disclosures in the registers. Additional training is also given to managers.
- j) The council has arrangements in place to receive and investigate allegations of breaches of proper standards of financial conduct and fraud and corruption.
- k) The whistle-blowing policy demonstrates the council's commitment to providing support to whistleblowers and has been communicated to officers and those parties contracting with the council; as does the council's fraud policy.
- l) The legal team is run in partnership with Norfolk county legal services (Norfolk public law - 'npLaw') which provide monitoring officer and deputy monitoring officer's to the council. The legal team is accredited to the Law Society's Lexcel quality standard and has arrangements in place to ensure the quality of the service provided.
- m) Reports have been provided to the standards committee and ad hoc reports on major legislative and governance issues are provided to the corporate leadership team.
- n) The monitoring officer has access to all reports to the corporate leadership team and has the right to attend and be heard.
- o) The monitoring officer has provided governance and probity advice/training to executive heads of service, heads of service and managers.
- p) A monitoring officer protocol is in place at the council.
- q) The monitoring officer is the link officer for Local Government Ombudsman contact.

Results of the monitoring Officers work – 23 February 2016 to 21 June 2016

9. Over the period, the monitoring officer has carried out the following tasks to ensure the effectiveness of his role:-

DUTIES	EXAMPLES
Have regular meetings with the chief executive in order to review current and likely future issues with legal, constitutional or ethical implications.	1:1 meetings with the chief executive take place as required.
Maintained good liaison and working relations with the external auditor.	The external auditor would be consulted if reportable incidents arose and a report on outstanding claims is made each year.
Ensured that the council is kept up to date on new legislation and changes in the law which are relevant to the carrying out of the council's functions.	This will generally take the form of reports to members and briefing notes to the corporate leadership team.
The monitoring officer has been consulted at an early stage on new policy proposals and on matters, which have potentially significant legal implications.	The monitoring officer is consulted as required on new policy proposals.
All draft reports to the cabinet are as a matter of routine cleared by the monitoring officer or senior officers.	All reports are routinely forwarded to the monitoring officer and democratic services officers 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>Executive heads of service 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.</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, with input from npLaw, regularly advises on the legality and/or appropriateness of administrative procedures and the legitimate means of achieving the objectives. The monitoring officer has attended meetings where
In appropriate cases, and to secure the rapid resolution of a potential reportable incident or avoid a separate statutory report, the	The monitoring officer will attend corporate leadership team meetings throughout the year.
Monitoring officer receives a full set of papers for the corporate leadership team and is entitled to attend meetings to advise.	

DUTIES	EXAMPLES
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	There is one incident which may require a statutory report; however, the monitoring officer is seeking to resolve this at the moment. The monitoring officer has dealt with three other matters

Overall opinion on the adequacy and effectiveness of the Governance framework

10. 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 the period covered by this interim report for the purposes of the latest regulations.
11. This report has also been circulated to the previous monitoring officer and any additional comments have been added under this section.

Comments from former monitoring officer April 2015 to March 2016.

I am satisfied 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 the period from April 2015 to March 2016 for the purposes of the latest regulations.

Hugh Ferguson - Monitoring officer for the period April 2015 to March 2016.