

Report to: Standards Committee

Report of: Monitoring Officer

Subject: Annual Report of the Monitoring Officer

Purpose

To summarise the key work carried out to 21 June 2018 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 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

Rachel Crosbie
Monitoring Officer

01603 222313
rachel.crosbie@norfolk.gov.uk

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 nplaw colleagues, Statutory officers, the corporate leadership team, officers at Norwich City Council, Group Leaders and all 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 report summarises matters arising from the monitoring officer's work for the Council from June 2016 to date 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. Since the retirement of the previous deputy monitoring officer in December 2017, the Monitoring officer has identified a need for another deputy monitoring officer. The matter is currently with the head of nplaw.
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 which is frequently reviewed 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.

8. The key messages to note are:

- a) Between June 16 to present, none of the council's elected members was found to have breached the code of conduct for members requiring an investigation or a referral to the Standards Committee.
- b) There have been matters referred to the monitoring officer but these have been dealt with informally. There is a matter currently outstanding which the Monitoring Officer may refer to 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 code of conduct last occurred on 5 July 2016. Councillors also have had a general training session in May 2018 which referred to the Code of Conduct. Democratic Services are arranging a session on this later in the year.
- d) The monitoring officer has continued to be available to give advice to individual members regarding member behaviour and conduct concerns. Also, advice on possible conflicts.
- e) The systems of internal control administered by the monitoring officer including compliance with 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. It is important that officers or members flag up any concerns at an early stage, ideally before it gets to the report stage.
- 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) Training regarding conduct is currently being arranged by the Democratic Services Team.
 - v) Changes to the Constitution are frequently referred to Director of Business Services. These will be reviewed shortly and will then be reported to the Constitution working party.
 - vi) Introduce a social media policy for Councillors
 - vii) Register of interests
 - viii) Register of gifts and hospitality
 - ix) Complaints procedure
 - x) Whistle-blowing policy
 - xi) Fraud policy
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- 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. Members and officers are making appropriate disclosures in the registers and in some cases have referred potential offers of hospitality and gifts to the Monitoring Officer. 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 officers 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 or legal advice 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. The monitoring officer has attended where CLT have requested this or at the monitoring officers discretion.
 - 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.

Results of the monitoring Officers work – 21 June 2016 to 21 June 2018

1. Over the period, the monitoring officer has carried out the following tasks to ensure the effectiveness of the 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 CEO take place as required. Monthly 1:1 meetings with Director of Business Services. Advice to CLT on matters considered significant
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. Asked officer to contact re potential AML Prepare an annual report to the external auditor. Meet with internal audit.
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 be to the corporate leadership team or business managers. Important that officers raise this with Monitoring Officer. Nplaw provide updates Monthly meetings with the Director of Business Services.
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.

<p>Some draft reports to the cabinet are as a matter of routine cleared by the monitoring officer or senior officers.</p>	<p>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. Monitoring officer has started attending pre cabinet meetings when papers are prepared and discussed.</p>
<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. The Monitoring Officer has raised this with Director of Business Services and has attended BMG to reiterate this message. Members can rely on the fact that all reports are routinely reviewed by the monitoring officer.</p>
<p>The monitoring officer has sought to resolve any potential illegality by identifying alternative and legitimate means of achieving the objective of the proposal.</p>	<p>The monitoring officer with input from nplaw advise on the legality and/or appropriateness of administrative procedures and the legitimate means of achieving the objectives. The monitoring officer has attended meetings where necessary.</p>
<p>In appropriate cases, and to secure the rapid resolution of a potential reportable incident or avoid a separate statutory report, the</p>	<p>The monitoring officer will attend the corporate leadership team meetings throughout the year.</p>

DUTIES	EXAMPLES
monitoring officer receives a full set of papers for the corporate leadership team and is entitled to attend meetings to advise.	
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.	

Overall opinion on the adequacy and effectiveness of the Governance framework

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.

Suggestions for improving the Governance

There are proposals which the Monitoring Officer wants to introduce following matters which have been referred including

Drafting a social media policy for all members.

Members being included in reporting any suspicions of money laundering.

Updating the register of gifts and hospitality.

Updating the Constitution relating to Conflicts.

Updating the Constitution where mistakes or clarity is needed.