



Audit and Standards Committee

Thursday, 12 March 2020 at 6.30 pm

**Large & Small Committee Room, King George V House, King George V
Road, Amersham**

A G E N D A

Item

1 Evacuation Procedures

2 Apologies for Absence

3 Minutes (*Pages 5 - 8*)

To approve the minutes of the Audit and Standards Committee held on 23 January 2020.

4 Declarations of Interest

5 Standards Procedures for Buckinghamshire Council and update on the LGA model code (*Pages 9 - 12*)

Appendix 1 - Buckinghamshire Council's Code of Conduct (Pages 13 - 22)

Appendix 2- Buckinghamshire Council's complaint procedure (Pages 23 - 26)

Appendix 3 - LGA Board meeting report (Pages 27 - 42)

- 6 Complaints Monitoring Report 2019/2020 (*Pages 43 - 44*)
Appendix (Pages 45 - 52)
- 7 Annual Internal Audit Report (*Pages 53 - 58*)
- 8 Internal Audit Progress Report (*Pages 59 - 66*)
- 9 Follow Up Report of all Outstanding Recommendations (*Pages 67 - 72*)
- 10 Annual Governance Report 2019/20 (*Pages 73 - 80*)
Appendix 1 (Pages 81 - 84)
Appendix 2 (Pages 85 - 86)
Appendix 3 (Pages 87 - 88)
Appendix 4 (Pages 89 - 92)
- 11 Audit Planning Report from EY (see supplement)
- 12 Exclusion of the Public (if required)

To resolve that under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act.

Note: All reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

Membership: Audit and Standards Committee

Councillors: J Gladwin (Chairman)

A Bacon

C Ford

C Jackson

R J Jones

V Martin

D Phillips

N Varley

C Wertheim

E Jones, Independent Person

C Langley, Independent Person

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CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the
AUDIT AND STANDARDS COMMITTEE
held on **23 JANUARY 2020**

PRESENT:

Councillors: D Phillips
A Bacon
C Jackson
V Martin
N Varley
C Wertheim

APOLOGIES FOR ABSENCE were received from Councillors J Gladwin, C Ford, R J Jones, E Jones and Independent Persons C Langley and E Jones

79 ELECTION OF CHAIRMAN FOR THE MEETING

It was proposed by Councillor V Martin and seconded by Councillor N Varley that Councillor D Phillips be Chairman for the meeting. This was agreed by the Committee.

80 MINUTES

The Minutes of the meeting of the Audit and Standards Committee held on 16 October 2019 were approved by the Committee and signed by the Chairman as a correct record.

81 DECLARATIONS OF INTEREST

There were no declarations of interest.

82 STANDARDS WORK PROGRAMME

RESOLVED

That the work programme of the Standards Committee be agreed.

83 INTERIM PROGRESS REPORT

Chris Harris of TIAA presented the Interim Progress Report. The Summary on pages 12 and 13 showed the progress to date. It was noted that there were 3 deletions from the original plan due to the Council end date of 31 March

2020. An additional audit was also planned for a Contractor Health and Safety audit (8 days work).

Any draft reports listed would be presented to the next Audit Committee meeting as final reports. All the work was on target to be completed on time. The next meeting would have the annual assurance report and a comprehensive summary of all the audits undertaken to take forward to the new Council.

With regard to the Complaints and Compliments report, it was asked whether there had been any significant complaints and it was advised that only minor complaints had been received.

It was noted that for the Information Governance Report, the Asset Register was to be updated by 31 January 2020 and a progress report was requested but the Committee were reassured that this had already been completed.

The audit report on the new Bierton Crematorium was discussed. Members wanted reassurance that appropriate risk assessments had been done. It was reminded that Bierton was a new operation that had not yet completed its first year but there was an experienced team in place, with the Amersham Crematorium management overseeing operations.

An assurance report with follow-up recommendations and statement would be prepared for the handover to the new audit team. The Bucks County Council contractor would continue the work from 1 April 2020.

RESOLVED

That the report be noted.

Note: Councillor C Jackson entered the meeting at 6.41 pm.

84 SECTION 106 PAYMENTS UPDATE

The report reminded Members that Section 106 agreements were an important revenue stream, to enable the Council to ensure developers make financial contributions to the district and county wide infrastructure and services. The report outlined the financial contributions received in the last 3 financial years, those not yet due to be paid and overdue contributions and how the Council had acted to retrieve those contributions. The total payments overdue to date was £25,000. It was noted that the due dates for contributions varied according to the criteria of the s106 agreement. It may be payable on commencement of the work or after completion.

In paragraph 4.2 it states that financial contributions for education, highways and open space "are rare" and it was asked why this was. It was advised that in the Chiltern District there have not been as many large scale developments. Chiltern District mainly collects affordable housing contributions. It was confirmed that these payments would go directly to the County.

The invoicing process set out in paragraph 3.9 was discussed as there was concern about Stage 2: Developer to agree the invoice value. It was advised that the properties would not be sold until the payments were made, so it was in the interest of the developer to agree and pay the invoice.

With regard to affordable housing, it was advised that viability was taken into account. Affordable housing could be provided on-site or contributions made for elsewhere. The payments could be paid at commencement or at the one or two-year anniversary according to the legal agreement.

In addition to s106 agreements, there could also be a Community Infrastructure Levy (CIL). In paragraph 3.11 it was noted that more than five contributions could be collected to fund the same infrastructure. It was explained that for example, a new road could benefit more than one developer and so contributions could be made by each.

Members discussed the importance of the Affordable Housing Working Group for their work with current providers (Paradigm and others) to use the money collected appropriately. There had been some uncertainty about how much there was and when it was payable in the past which could delay the process.

There was also concern that there should be a separate Officer to do this work and there was currently a CIL/s106 Enforcement Officer in Planning. Wycombe District Council currently had this post but Aylesbury Vale did not, and going forward into the Unitary Council, it was hoped that this would be a priority. It was confirmed that the function would stay within the Planning remit rather than move to Housing.

RESOLVED

That the report be noted.

85 AUDIT WORK PROGRAMME

RESOLVED

That the work programme of the Audit Committee be agreed.

The meeting ended at 7.00 pm

SUBJECT	Standards Procedures for Buckinghamshire Council and Update on the LGA Model Code
RELEVANT MEMBER	Chairman of Audit & Standards Committee – Councillor John Gladwin
RESPONSIBLE OFFICER	Monitoring Officer- Joanna Swift joanna.swift@chilternandsouthbucks.gov.uk Tel : 01494 732761
REPORT AUTHOR	Edwina Adefehinti:edwina.adefehinti@chilternandsouthbucks.gov.uk Tel : 01895 837377
WARD/S AFFECTED	None

1. Purpose of Report

- 1.1 To inform the Committee about the standards arrangements in place for members of Buckinghamshire Council.
- 1.2 To update members on progress with a Model Code of Conduct being drafted by the Local Government Association.

RECOMMENDATION:

1. The Committee is invited to note the information in this report regarding the Code of Conduct and complaints procedure for Buckinghamshire Council.
2. The committee authorises the Monitoring Officer to respond to the Local Government Association Consultation, in consultation with the Chairman of this Committee.

2. Reasons for Recommendations

- 2.1 To ensure that the Committee is aware of the newly adopted Code of Conduct and complaints procedure for Buckinghamshire Council.
- 2.2 To enable the Monitoring Officer to respond to the Local Government Association Consultation on the drafting of the new model code of conduct, giving members the opportunity to input into the proposed model code of conduct being produced by the Local Government association.

3 Content of Report

- 3.1 As members are aware both principal and local Councils have a statutory duty under the Localism Act 2011 to promote and maintain high standards of conduct amongst their elected and co-opted members and to adopt a code governing member conduct. Principal Council must also have arrangements in place for dealing with any complaints that members may have breached the code of conduct. Any complaints

that town or parish councillors have breached their council's code of conduct are covered by the principal Council's arrangements.

- 3.2 Under the Act and accompanying statutory regulations members must disclose any pecuniary interests (DPI's) held by themselves or their spouse/partners in items of Council business. Failure to disclose a DPI is a criminal offence.

THE CODE OF CONDUCT

- 3.3 The Act gives Councils discretion over the contents of their code of conduct provided that it accords with the following 7 principles of conduct in public life: -

- selflessness
- integrity
- objectivity
- accountability
- openness
- honesty
- leadership

- 3.4 Buckinghamshire Council must have a code of conduct in place for 1 April 2020 and this was adopted as part of the Council's Constitution at the Shadow Authority meeting on 27 February. A copy is attached at Appendix 1. The Constitution also included the new Council's arrangements for dealing with complaints and this is attached at Appendix 2. The code largely follows the model adopted by Chiltern District Council and includes the requirement for members to disclose non-pecuniary personal and prejudicial interests, in addition to the statutory DPI's.

- 3.5 The complaints procedure is also similar to the arrangements at Chiltern adopting a three stage approach.

LOCAL GOVERNMENT ASSOCIATION DRAFT MODEL CODE OF CONDUCT

- 3.6 The Local Government Association's ("LGA") have recently issued an update on progress with preparing a Model Code of Conduct in line with the following recommendation in the Committee on Standards in Public Life report published on 30 January 2019 "*The Local Government Association should create an updated model code of conduct, in consultation with representative bodies of Councillors and officers of all tiers of local government in consultation with representatives of following the recommendations of the Committee of Standards in Public Life report published on 30 January 2019*".

- 3.7 The Board of the LGA at its meeting on 11 September 2019 (report attached as Appendix 3) considered and agreed to commence work on a Model Code ahead of central government's response to the recommendations of the report. This work is

part of a wider programme of work on civility in public life and in response to rising local government concern about the increasing incidence of public, member-to-member and officer/member intimidation and abuse and overall behavioural standards and expectations in public debate, decision making and engagement.

- 3.8 The LGA consider that if the code is completed before any government response, Local Authorities will still be able to adopt the Code. However, some of the recommendations in the CSPL report, for example the power to suspend councillors, will require legislation which means that these provisions cannot be included in the Model Code.
- 3.9 The LGA confirmed the next stages of the review process and will publish the draft consultation code following the LGA board meeting in March.

Summary of Model Code drafting timetable/milestones

- 3 February –2 March preparation of draft code and report for LGA Board
- Wednesday 11 March – Draft Code to Board for consideration and approval for consultation
- W/C 16 March – launch of consultation period (6 weeks takes us up to Friday 24 April)
- W/C 16 March – Round table discussion with key stakeholders (including LGO)
- *RISK* – Thursday 26 March start of pre-election period for local government elections
- Friday 24 April – close of consultation
- Monday 27 April – Friday 15 April (3 weeks) review of consultation findings and final drafting
- *Note* – Thursday 7 May local government elections
- Friday 15 May – deadline for final draft from Hoey Ainscough
- w/c 18 May – Drafting of report for Board /final edits to code
- Monday 25 May – LGA deadline for submission of report for Board
- Wednesday 3 June – Final copy to Board for approval
- W/C 8 June – LGA design and print and final editing for launch
- Tuesday 30 June – Launch at first day of LGA conference, Harrogate

4. Consultation

Not applicable.

5. Options (if any)

The report is for noting and information

6. Corporate Implications

Reports must include specific comments addressing the following implications:

6.1 Financial- None

6.2 Legal – As set out in the report

6.3 Risks issues – None

6.4 Equalities - None

7. Unitary Implications (if applicable)

The standards arrangements for the new Unitary Council form part of the Constitution and will be reviewed by the new Council's Standards Committee who will have this responsibility from 1 April 2020.

8. Links to Council Policy Objectives

Whilst there is no direct link to the Council's main objectives the monitoring of complaints contributes to ensuring good governance.

Background Papers:	None except those referred to in the report
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Appendices

Appendix 1 – Buckinghamshire Council's Code of Conduct

Appendix 2- Buckinghamshire Council's complaint procedure

Appendix 3- LGA Board meeting report

2. Code of Conduct for Councillors

Part 1 – General Provisions

Introduction

- 2.1. The Council has adopted this Code of Conduct pursuant to section 27 of the Localism Act 2011 (the Act) to promote and maintain high standards of behaviour by its members and co-opted members whenever they conduct the business of the Council including the office to which they were elected or appointed or when they claim to act or give the impression of acting as a representative of the Council.
- 2.2. This Code of Conduct complies with Section 28 of the Act and is consistent with the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Scope

- 2.3. This Code of Conduct applies to you whenever you are acting in your capacity as a member of Buckinghamshire Council, including: –
 - a. at formal meetings of the Council, its Committees and Sub-Committees, its Cabinet and Panels
 - b. when acting as a representative of the authority
 - c. in taking any decision as a Cabinet member or a Ward Councillor
 - d. in discharging your functions as a Ward Councillor
 - e. at briefing meetings with officers
 - f. at site visits and
 - g. when corresponding with the authority other than in a private capacity
- 2.4. Where you act as a representative of the Council:-
 - a. on another authority, you must when acting for that authority, comply with that other authority's code of conduct; or
 - b. on any other body, you must, when acting for that other body, comply with this Code of Conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject
- 2.5. Where you are acting as a co-opted member of a Council Committee or Sub-Committee or Board or Panel of the Council
- 2.6. When using social media or the internet and/or in relation to your online presence if you refer in any way to your role as a councillor or could reasonably be perceived as acting in any of the above capacities when doing so.

General Obligations

- 2.7. You must –
 - a. provide leadership to the Council and communities within its area, by personal example and
 - b. respect others and not bully any person
 - c. recognise that officers (other than political assistants) are employed by and serve the whole Council

- d. respect the confidentiality of information which you receive as a councillor and member –
 - i not disclose confidential information to third parties unless required by law to do so or where there is a clear and over-riding public interest in doing so; and
 - ii not obstruct third parties' legal rights of access to information
- e. not conduct yourself in a manner which is likely to bring the council into disrepute
- f. use your position as a councillor in the public interest and not for personal advantage
- g. act in accordance with the Council's reasonable rules on the use of the resources of the Council for private or political purposes
- h. exercise your own independent judgement, taking decisions for good and substantial reasons –
 - i attaching appropriate weight to all relevant considerations including, where appropriate, public opinion and the views of political groups
 - ii paying due regard to the advice of officers, and in particular to the advice of the statutory officers, namely the Head of Paid Service, the Section 151 Officer and the Monitoring Officer and
 - iii stating the reasons for your decisions where those reasons are not otherwise apparent
- i. account for your actions, particularly by supporting the Council's scrutiny function
- j. ensure that the Council acts within the law.

Part 2 – Interests

Personal Interests

- 2.8. In addition to the statutory requirements under the Act in relation to Disclosable Pecuniary Interest's (DPI's) and as set out in Paragraphx below and save for the subject interest already having been declared as a DPI and the statutory provisions complied with, the following Paragraphs 5 to 8 shall also apply.
- 2.9. You have a personal interest in any business of the Council where either-
- a. it relates to or is likely to affect –
 - i Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the Council;
 - ii Any body –
 - 2.9.a.ii.1. Exercising functions of a public nature
 - 2.9.a.ii.2. Directed to charitable purposes; or
 - 2.9.a.ii.3. One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)
 Of which you are a member or in a position of general control or management;
 - b. Any person or body who employs or has appointed you;
 - c. The interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;

- d. A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected by the decision;
- 2.10. In sub-paragraph 2.8 b. above, a relevant person is –
- a. A member of your family or any person with whom you have a close personal association; or
 - b. Any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
 - c. Any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
 - d. Any body of a type described in sub-paragraph 2.9 a. i or ii.

Disclosure of Personal Interests

- 2.11. Subject to sub-paragraphs (2) to (5), where you have a personal interest in any business of the council and you attend a meeting of the council at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.
- 2.12. Where you have a personal interest in any business of the council which solely relates to a body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the council, you need only disclose to the meeting the existence and nature of that interest if that interest is prejudicial.
- 2.13. Where you have a personal interest in any business of the council of the type mentioned in paragraph 5(1) (a) (iv), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.
- 2.14. Sub-paragraph (1) only applies where you are aware or ought reasonably to be aware of the existence of the personal interest.
- 2.15. Subject to paragraph(1) (b), where you have a personal interest in any business of the council and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that personal interest.
- 2.16. Having declared a personal interest you may continue to speak and vote on the item of business concerned.

Prejudicial Interest Generally

- 2.17. Subject to sub-paragraph (2), where you have a personal interest in any business of the council you also have a prejudicial interest in that business where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.
- 2.18. You do not have a prejudicial interest in any business of the council where that business—
 - a. does not affect your financial position or the financial position of a person or body described in paragraph 5;
 - b. does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 5; or

- c. relates to the functions of the council in respect of—
 - i an allowance, payment or indemnity given to members;
 - ii any ceremonial honour given to members; and
 - iii setting council tax or a precept under the Local Government Finance Act 1992.

Prejudicial Interests Arising in Relation to Overview and Scrutiny Committees

- 2.19. You also have a prejudicial interest in any business before an overview and scrutiny committee of the council (or of a sub-committee of such a committee) where—
- a. that business relates to a decision made (whether implemented or not) or action taken by the cabinet or another of the council's committees, sub-committees, joint committees or joint sub-committees; and
 - b. at the time the decision was made or action was taken, you were a member of the cabinet, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.

Effect of Prejudicial Interests on Participation

- 2.20. Subject to sub-paragraph (2), where you have a prejudicial interest in any business of your council—
- a. you must declare the existence and nature of your interest and withdraw from the room or chamber where a meeting considering the business is being held—
 - i in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;
 - ii in any other case, whenever it becomes apparent that the business is being considered at that meeting;
 - b. you must not exercise executive functions in relation to that business; and
 - c. you must not seek improperly to influence a decision about that business.

- 2.21. Where you have a prejudicial interest in any business of the council you may attend a meeting (including a meeting of the select overview and scrutiny committee of the council or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

Disclosable Pecuniary Interest

- 2.22. A Disclosable Pecuniary Interest (DPI) is as defined in 'The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012' (The Regulations) and the categories of interest are set out in Appendix A.

Note: In addition to the statutory requirements under the Act, Council Procedure Rules require you to withdraw from the room or chamber where the meeting is being held if you have a DPI in an item of business being considered at that meeting unless a Dispensation has been granted pursuant to and in accordance with Section 33 of the Act.

Part 3 – Registration of Members’ Interests*Registration or Disclosure of Members’ Interests*

- 2.23. Subject to paragraph 102, you must, within 28 days of your election or appointment to office register in the council’s register of members’ interests, maintained under Section 29 of the Act, details of any DPI which you or your spouse or civil partner (or person with whom you are living as spouse or civil partner) may have, together with your personal interests where they fall within a category mentioned in paragraph 5(1) (a), by providing written notification to the council’s monitoring officer.
- 2.24. Failure to register or disclose any DPI in accordance with section 30(1) or 31(2), (3) or (7) of the Act, or participating in any discussion or vote in contravention of section 31(4) of the Act, or taking any steps in contravention of section 31(8) of the Act, is a criminal offence and risks a fine not exceeding level 5 on the standard scale (currently £5,000) or disqualification as a member for a period not exceeding 5 years.
- 2.25. Subject to paragraph 12, you must, within 28 days of becoming aware of any new DPI and/or personal interest or change to any DPI and/or personal interest registered under paragraph (1), register details of that new DPI and/or personal interest or change by providing written notification to the council’s monitoring officer.
- 2.26. Subject to Paragraph 12, you are required to disclose the existence and nature of any DPI when it arises at a meeting even where already registered in the Register or pending registration so the minutes can be duly noted.

Sensitive Interest

- 2.27. Where you consider that you have a sensitive interest (whether or not a DPI), and the council’s monitoring officer agrees, if the interest is entered in the Council’s register, copies of the register that are made available for inspection and any published version of the register, must not include details of the interest (but may state that the member has an interest the details of which are withheld under section 32 (2) of the Act) and any public declaration required need only state the fact an interest arises without further detail.
- 2.28. You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under paragraph (1) is no longer a sensitive interest, notify the Council’s monitoring officer asking that the interest be included in the Council’s register of members’ interests.
- 2.29. In this Code, “sensitive interest” means an interest, the nature of which is such that you and the Council’s monitoring officer consider that disclosure of the details of the interest could lead to you, or a person connected with you, being subject to violence or intimidation.

Dispensations

- 2.30. On a written request made to the Council’s Monitoring Officer, the Council may grant a dispensation for you to participate in a discussion and vote on a matter at a meeting even if you have a DPI or a prejudicial interest and that you be relieved of the obligation to otherwise withdraw from the room in which the matter is being considered if the Council considers that the number of members otherwise prohibited from taking part in the meeting would be so great a proportion of the body transacting the business that it would impede the transaction of the business; or the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote on the business; or it is in the interests of the inhabitants in the

Council's area to allow you to take part or that without the dispensation the Councils Executive would be prohibited from participating in the matter or it is otherwise appropriate to grant a dispensation.

Appendix ADisclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a DPI are set out in Chapter 7 of the Act.

DPI's are defined in the Regulations 2012 as follows –

<i>Interest</i>	<i>Prescribed description</i>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992).
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

- (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose –

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant authority;

“member” includes a co-opted member;

“relevant authority” means the authority of which M is a member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act;

“securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Gifts and Hospitality

2.31. In addition to the registration of interests, the Council requires councillors to register any gifts and hospitality worth £25 or more they have received with the Monitoring Officer.

2.32. Councillors must:

- a. register any gifts and hospitality with the Monitoring Officer within 28 days of being elected or appointed to office.
- b. register any gifts and hospitality within 28 days of the Authority's Code of Conduct being adopted.
- c. register any gifts and hospitality with the Monitoring Officer within 28 days of receiving them.
- d. declare any gifts and hospitality at any meeting of the authority at which they are present, where a relevant matter is being considered.
- e. register any gifts and hospitality declared at a meeting, within 28 days of disclosing it.
- f. Details on how councillors should register interests and gifts and hospitality can be obtained from X

3. Process for the Investigation of Complaints against Councillors

Context

- 3.1. The Council is committed to promoting and maintaining high standards of conduct amongst its councillors and has adopted a Code of Conduct setting out the conduct it expects of its councillors as they carry out that role.
- 3.2. A copy of the Council's Code of Conduct for Councillors is set out in Part I Section 2 of this Constitution. It is also available for inspection on the Council's website.
- 3.3. The Code applies to councillors when they go about the work of the Council or their role as a councillor. The Council will not investigate complaints relating to a councillor's private life.
- 3.4. If anyone thinks a councillor has not complied with the Council's Code of Conduct for Councillors (or in relation to Town and Parish councillors has not complied with their Town or Parish Code of Conduct) a complaint can be made to the Monitoring Officer who will consider the complaint in the following way.

How We Deal with Complaints

Initial Assessment

- 3.5. The Monitoring Officer will carry out an Initial Assessment to determine whether the complaint is within the Code of Conduct and whether, having regard to the referral criteria below it should be progressed.

Stage One

- 3.6. If the Monitoring Officer determines that the complaint should be progressed we will tell the councillor that you are complaining about that we have received a complaint and provide them with details of your complaint which may include a copy – unless you have requested confidentiality (in which case your details will not be disclosed unless and until your request for confidentiality has been considered – see further below).
- 3.7. The councillor will be invited to respond within 20 working days – including in their response any suggestion to resolve the complaint.
- 3.8. Details of the response will be made available to you and you will be asked if you are satisfied – if yes, no further action will be taken or the action proposed by the councillor will proceed; if not, you will be asked if you wish your complaint to be considered further under Stage Two

Stage Two

- 3.9. In most cases your complaint will be considered by the Council's Monitoring Officer, or their Deputy, or by the Monitoring Officer and the Chairman/Vice- Chairman of the Councils Standards and General Purposes Committee if considered appropriate due to the seriousness of the alleged behaviour. An Independent Person may be consulted and their views taken into account. An Independent Person will be consulted if a referral for investigation is deemed appropriate or if the complaint can't be resolved informally. This will happen within an average of 20 working days of the date of the commencement of Stage Two.

Stage Three

- 3.10. If the decision at Stage Two is to investigate the complaint, the Monitoring Officer will appoint an investigator whose report will be considered by the Hearings Sub-Committee

of the Council's Standards and General Purposes Committee– or in some cases to the full Committee – who will decide whether a breach has taken place and if so the appropriate remedy, a formal hearing is necessary to determine whether a breach has occurred and/or the appropriate remedy, if and what any further action is appropriate.

Referral Criteria

- 3.11. Whilst each allegation will be considered on its individual merits, the following "Referral Criteria" will be used to decide whether to accept a complaint and as factors for consideration at each stage of the process.
- a. the public benefit in investigating the alleged complaint
 - b. the availability and cost of resources with regard to the seriousness of the alleged matter
 - c. is the information submitted, sufficient to make a decision as to whether to refer for investigation?
 - d. is the councillor complained about still a serving councillor?
 - e. is the complaint the same as or similar to a previous complaint?
 - f. the time passed since the alleged conduct occurred
 - g. the complaint involves conduct too trivial to warrant further action
 - h. does the complaint appear to be malicious, politically motivated or tit for tat?
 - i. whether the matter complained of is an individual act or part of a continuous pattern of behaviour which should be cumulatively considered
 - j. steps taken or proposed to remedy the action complained of
 - k. the complainant's view of the action taken or proposed.
- 3.12. The relevant parties will be kept informed at all stages of the complaint. Further details are available on the Council's website.
- 3.13. There is no right of appeal under any stage of this complaints procedure.
- 3.14. The remedies available may include –
- a. informal resolution (ie where a formal remedy may not be appropriate but a resolution is considered advisable. This is not limited to but may take the form of an apology or an explanation) (this may be by recommendation only)
 - b. Report to Council
 - c. Formal letter to subject councillor
 - d. Formal censure by motion
 - e. Recommendation to Leader/Group Leader or Town/Parish Council as applicable, that the councillor is removed from Special Responsibilities – i.e. Cabinet/Committees/Outside Bodies.
 - f. Press release or other publicity.
- 3.15. Please note the Council has no authority to withhold allowances or to suspend or remove a Councillor from office.
- 3.16. All decisions should be published unless the subject Member requests non-publication where it is found that the code of conduct has not been breached.

- 3.17. * An **Independent Person** is someone who has been appointed by the Council under Section 28 of the Localism Act 2011. Independent Persons must be appointed through a process of public advertisement, application and appointment by a positive vote of a majority of all members of the Council – i.e. by full Council.
- 3.18. A Person is considered not to be 'independent' if:-
- a. they are or have been in the previous 5 years an elected or co-opted member or officer of the District Council or any Parish in the area an elected or co-opted member of any committee or sub-committee of the District Council or any Parish in the area or
 - b. they are a relative or close friend of a current elected or co-opted member or officer of the District Council or any Parish in the area – or any elected or co-opted members of any committee or sub-committee of such a Council.



[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

Civility in public life – project proposal

Purpose of report

For direction.

Summary

- This report sets out a proposed programme of work entitled 'civility in public life' to address the concerns raised by our membership around intimidation of those in public office and also the concerns about the standards of public and political discourse and debate.
- Leadership Board are asked to provide comment on the paper and its proposals.
- Officers are looking for a steer on:
 - the objectives of the programme
 - the elements of the programme and their delivery

Recommendation/s

- That the work programme is endorsed and adopted

Action/s

- Officers will modify the work programme as directed and once agreed
- Officers will deliver the agreed work programme

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[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

Civility in public life – project proposal

Introduction

1. Members of the LGA, WLGA, COSLA and NI have all expressed concerns about the increasing intimidation of councillors, the increasing toxicity of debate and the impact on the democracy of our country, particularly on the decision-making processes that affects our local communities. There are calls for the LGA to coordinate a programme of work, and it is proposed that the LGA takes this on through a programme of work entitled 'Civility in Public Life'. This paper sets out a number of initial outline proposals.
2. So far, the LGA has:
 - Developed a toolkit for enabling women, carers and parents to become councillors, which addresses some of the above issues.
 - Launched a guide for councillors on handling intimidation
 - Discussed the issue at Leadership Board
 - Issues an informal call for evidence through the political groups
 - Submitted evidence to parliamentary debates
 - Held sessions at the 2019 LGA annual conference

Background

1. One of the most pressing concerns facing the conduct of public life at the moment is the increasing incidents of intimidation and abuse by members of the public against councillors. These attacks risk the personal safety of our members, undermine local democracy and decision-making, and can put off prospective candidates from standing. Intimidation and physical threats of violence against councillors are a real and growing concern in every area of the country. Whilst debate and having different views is all part of a healthy democracy; abuse, public intimidation and threats are designed to undermine democratic decision making by generating fear in those who represent it.
2. Intimidation, abuse and harassment of councillors is a crime, as it would be towards any member of the public. However, reports from LGA members indicate that there is not a consistent response from the police across the country and that there is confusion about reporting, support, the legislation, and the broader impacts for our society and democracy.
3. We need a wider discussion with our citizens on how they involve themselves in public debate. We collectively need to be clear that abuse, harassment, intimidation and violence is not the way for anyone to engage in modern-day politics.

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

4. Concern has also been raised about incidents of intimidation within councils, involving councillors as well as officers. If we expecting decent standards of behaviour from members of the public when they engage with councillors, then good standards of behaviour need to be modelled within the council.

Purpose

5. The purpose of the programme is:
 - To address the intimidation of local government members and officers
 - To address standards of public discourse
 - To address standards of political discourse and behaviour in public office
 - To provide support and advice to councils and councillors

Objectives

6. The LGA's objectives in embarking on this programme of work are:
 - 6.1. To articulate what local government believes are good standards for anyone engaging in public and political discourse and debate, and what is needed to achieve these standards.
 - 6.2. To show leadership at a local, national, UK-wide and international level in good standards of political debate, engagement and decision-making, demonstrating the positive impact it can have.
 - 6.3. To understand the scale and impact of intimidation and abuse behaviour our membership is experiencing.
 - 6.4. To challenge the 'new-norms' of intimidation, abuse, threats and aggressive behaviour by many engaging in political and public discourse.
 - 6.5. To demonstrate the impact that intimidation and abusive behaviour in our political system and from the general public has on our democratic system, and recommendations for achieving positive debate and public engagement in local decision-making.
 - 6.6. To support its member councils in addressing intimidation and abuse.
 - 6.7. To enhance the reputation of local government and local politicians, and encourage more people to become councillors by addressing the issues of intimidation and abuse.
 - 6.8. To support all democratically elected local representatives in delivering their best on behalf of their local communities.

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

6.9. To build on the good practice that already exists within member councils.

Scope

7. It is proposed that the scope of this work encompasses local government members and officers, given the increasing reports that those both elected and employed in public office are experiencing intimidation and abuse due to their public-facing roles. As such, it is proposed that the LGA engages with member-led partner organisations as well as officer-led partners organisations such as SOLACE and Lawyers in Local Government.
8. It is also proposed that the LGA works with its counterparts in Wales, Scotland and Northern Ireland, as members of the WLGA, COSLA and NILGA have expressed similar concerns to members of the LGA. This provides the opportunity for a powerful message that local government does not accept that its councillors or staff should accept intimidation and abuse because of their roles in public life, which it is undermining our democratic structures and public services, and that national action is urgently required.

LGA Leadership

9. The LGA is in a position to provide leadership through:
 - Engaging in positive political discourse
 - Challenging poor political discourse
 - The application of consistent and high standards for all public office
 - Emphasising the benefits of becoming a councillor, encouraging prospective candidates to stand for public office and encouraging a diversity in candidates
 - Demonstrating the positive outcomes that can be achieved through civil and respectful debate, discussion and decision-making within and between political parties
 - Accepting and promoting a council duty of care for the wellbeing, safety and security of councillors
 - Facilitating a pan-UK local government response

Opportunities and risks

10. Undertaking this programme of work offers the LGA the opportunity to demonstrate leadership; to central government, to local government and to the public, on standards in public debate and engagement. It also provides the opportunity for the LGA to respond

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

to concerns raised by our membership, our UK colleagues in Wales, Scotland and Northern Ireland, as well as central government.

11. There are increasing opportunities for the LGA to engage and promote our messages with partners and stakeholders in addressing issues of public discourse and intimidation. The Committee on Standards in Public Life has undertaken research in this area and reported a number of recommendations and the Cabinet Office has now developed a 'defending democracy' work programme. Parliament has debated the toxicity of debate in the House of Lords and the House of Commons, and the APPG on Women in Parliament is specifically addressing the issue of intimidation and threats against politicians. The Jo Cox Foundation is working with the political parties on a joint approach to tackling intimidation, and the LGA has approached them to work at the local level as well as the national level.
12. There is also the opportunity to utilise the potential within the review of the member model code of conduct to address issues of public intimidation, care and support of councillors, and the promotion of good standards of political and public debate for all those in public office.
13. However, there is a risk that the LGA will receive criticism from those who feel their political culture is being threatened. In addition, addressing issues of intimidation, especially on social media, and raising the profile of the LGA as leaders in this area may draw the attention of the people who undertake such activity. The LGA will need to acknowledge this risk, determine if it is willing to draw the attention of those who post abuse on social media sites and apply appropriate safeguards. The nature of any public-facing communication will need to be carefully considered.

Components of the proposed programme of work

14. It is proposed that the LGA focuses on three elements – prevention, support and challenge:

Prevention

- 14.1. Improvement support and guidance for our member authorities, building on our existing improvement and leadership programmes and the guide for councillors on handling intimidation
- 14.2. Desktop research into the prevalence, impact, good practice and international action on the intimidation of those in public office.

Support and intervention

- 14.3. The development of policy and legislative proposals with partners, government and stakeholders that address intimidation and standards of public

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

discourse, particularly with a view to gaining a more consistent and robust response from the police and Crown Prosecution Service (CPS). This includes the proposal for a new criminal offence for intimidating a person in public office and engagement with Police Crime Commissioners (PCCs).

14.4. Exploring the potential for an informal council 'duty of care' towards its councillors as good practice.

14.5. A revision of the local government model code of conduct (appendix 1) with a view to promoting it as standard for all in public office.

Challenge

14.6. The development of a pan-UK commitment and public statement for discussion at the UK Forum for the leaders of all the UK local government associations taking place in November 2019.

14.7. Exploring opportunities for a public and political-facing campaign.

Oversight

15. It is proposed that a small member-led steering group oversees the civility in public life work programme to provide ongoing insight and commentary and where operational decisions can be made. Significant decisions and updates will be brought back to Leadership Board. It is proposed that this group consists of one nominated representative from each of the political groups.

Prevention - improvement and support

16. There is the opportunity, through the LGA's existing improvement and support programme for councillors, to include issues relating to intimidation and standards of public and political discourse.

17. This could be extended to include more specific support and training for members around safety, security and utilisation of social media. We have had reports of members being advised to come off social media if they are experiencing intimidation and abuse, but social media is an increasingly important and relevant way of engaging residents, voters and the general public on important issues. The focus should be on empowering members to be savvy on social media and creating a safe and positive online environment rather than restricting the ability of councillors to engage in this important form of communication. This will also link across the policy work stream.

18. This support could include a statement for websites and social media indicating the standards of communication expected and the consequences should engagement fall

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

short. This has been adopted by some MPs, including Harriet Harmon, as well as the Royal Family.

Prevention - research

19. It would be useful, in terms of supporting our messages and providing support to our members, to improve our understanding of the experiences our councillors are having and the impact on both them as individuals and on our democratic systems. The sessions at the LGA Annual Conference in July 2019 revealed a worrying level and intensity of intimidation and abuse, with experiences shared by both newly appointed councillors as well as long serving councillors; from both men and women, from across backgrounds, cultures and political party.
20. It would also be useful to establish more examples of good practice from our member councils, and also across the UK and in other countries.

Support and intervention - policy development and stakeholder engagement

21. The Cabinet Office has recently consulted on changes to electoral law so that individuals who intimidate candidates during a local election would lose their right to stand for election. The same consultation also highlighted that there is existing legislation that should apply to incidents of intimidation. However, evidence from our members indicate that there is a varied approach being applied by police across the country. Statements such as being 'fair game' for abuse, for it 'not being in the public interest' to prosecute and that it is acceptable for individuals to be abusive to those who take on public office is undermining the ability of our local councillors to carry out their public duties and feel protected.
22. As such, the LGA will develop further proposals, including exploring the potential for an offence in criminal law for intimidating a person in public office. This would extend the offence currently proposed by Government within electoral law that simply restricts a person from standing for election as a penalty for intimidating a candidate. Addressing these issues would be a priority for the work programme.
23. The Cabinet Office has developed a 'defending democracy' programme and the Home Office is also exploring the issue of intimidation on social media. Government has also recently consulted on an 'online harms' white paper which seeks to address online intimidation and the Jo Cox Foundation is working across government on a joint approach to tackling intimidation. It will be important that the experiences and views of local politicians is also considered in this work.
24. Another issue that has been raised by councils is the cost associated with increased security for members. Whilst national politicians receive funding from parliament for their

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

personal security, and can have security advisers to review their household arrangements, there are no such provisions for local politicians, many of whom will have a similar profile or levels of engagement with the general public. In some cases the police have paid for security arrangements, and in others the council has paid, but the landscape is not clear. The issue of responsibility and funding for personal safety and security also needs to be addressed and clarified.

25. It is proposed that the LGA convene a working group to help develop proposals around addressing the intimidation of councillors, and all those in public office. This would include stakeholders such as MHCLG, the Home Office, PCCs, SOLACE, Lawyers in Local Government, SOLACE, etc.

Support and intervention - exploring an informal council 'duty of care' for councillors

26. Alongside confusion about paying for personal safety and security, there has been confusion about the degree of support councils should and can give their councillors in instances of intimidation and abuse, particularly as they are not employees and as such don't fall within employment law – and whether the provision of support crosses the line into political interference. Some councils do open up their employee support packages to members, and others do not, and there will be a cost implication for councils.
27. The WLGA has had a conversation with its members regarding this issue and they have informally agreed to provide support to their members alongside the support they give to their employees.
28. Discussions with members has resulted in the proposal for an informal 'duty of care' that councils could adopt to make clear the support they can and will give their members, and to encourage such provision of support.
29. Endorsing an informal duty of care would require:
- A clear commitment from the LGA that they support an informal 'duty of care' to councillors as good practice.
 - Engagement with the sector regarding the implications of such an approach.
 - A recognition that there may be a cost implication and engagement with the sector on this.
 - Engagement with representative organisations such as SOLACE and Lawyers in Local Government to better understand the implications and gain support.
 - The provision of guidance to help councils differentiate between political intervention and the provision of support to councils who may be experiencing intimidation.

Support and intervention - a revision of the member model code of conduct



[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

30. Please see section 2 on reviewing the model code of conduct for more detailed proposals.

Challenge - pan-UK local government initiative

31. The UK Forum for the leaders of all the UK local government associations taking place in November 2019 provides the opportunity to develop and launch a powerful message that local government does not accept that its councillors or staff should accept intimidation and abuse because of their roles in public life, which it is undermining our democratic structures and public services, and that national action is urgently required. This could be in the form of a commitment and/or public statement.
32. We could then encourage other organisations and representative groups to support the public statement.

Challenge - a public and political facing campaign

33. The LGA could explore the appetite and opportunity for public-facing media-based resources to help councils communicate the best ways to engage with councils and councillors. For example, short videos to encourage people to think about how best to communicate their issues to councils rather than, for example, sending abusive communications via twitter.
34. The LGA could also promote its messages around good standards in political discourse and local impact of intimidation of councillors, any joint pan-UK statement and its revised model code of conduct to national politicians and political parties.

Section 2 - Civility in Public Life - the review of the model code of conduct

Why is the model code of conduct being reviewed?

35. The LGA is undertaking a review of the member model code of conduct in response to the recommendations made by the Committee on Standards in Public Life, but also in response to rising local government concern about the increasing incidence of public, member-to-member and officer/member intimidation and abuse and overall behavioural standards and expectations in public debate, decision making and engagement.
36. The LGA aims to develop a code that benchmarks a standard for all public office and for those engaged in public discourse and debate. It will set out the duties and expectations of persons in public office as well as their rights, particularly their right to be protected from abuse and intimidation resulting from their undertaking of public office.

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

37. The LGA's objectives in reviewing the model code of conduct are to:

- Articulate what local government believes are good standards for all in public office
- Show leadership in good standards of conduct for those in public office, both elected and as employees
- Achieve consensus between the stakeholders affected by local government conduct
- Support its member councils and partners in achieving good standards of conduct
- Produce a code that is fit for purpose, useful and held in high regard
- Enhance the reputation of local government and local politicians
- Support the good running of councils
- Support all democratically elected local representatives to deliver their best on behalf of their local communities
- Build on the good practice that already exists within member councils

Why the LGA?

38. The LGA is well placed to lead on the review and renewal of the model code of conduct because, as set out in the articles of association of the Local Government Association, the LGA's objects are:

- to support, promote and improve local government in England and Wales
- to represent, wherever possible by consensus, the interests of Member Authorities to national governments, to Parliament, to political parties, to European and other international institutions and to other bodies, and to negotiate on behalf of local government
- to formulate policies to support the improvement and development of local governance, effective management in local authorities and the enhancement of local democracy in England, Wales and elsewhere
- to provide forums for discussion of matters of common interest and/or concern to Member Authorities, including groups of Member Authorities, and a means by which **joint views may be formulated and expressed**
- to endeavour to give democratically elected local representatives from different political groups the opportunity to contribute to the Association's work and to the development of policies which represent, as far as possible, **consensus between the political groups and between groups of Member Authorities**
- to support all democratically elected local representatives of Member Authorities

39. The LGA also has the responsibility to speak for all Member Authorities in matters of local government in general or which concern all Member Authorities.

40. In this way, the LGA is well placed to bring together the different stakeholders under the umbrella of local government to achieve understanding and consensus, which will be vital for the adoption and success of any reviewed and renewed code of conduct. It will

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

be important to understand, respect and bring together the range of views on the code of conduct if it is to be successful.

How will the LGA review the model code of conduct?

41. The LGA aims to work collaboratively with a range of officer and member stakeholders in a spirit of co-production. As such, the LGA will engage with the representative organisations set out in section 4 and also with officers and members across the country.
42. The LGA is using the existing model code of conduct (Appendix 1) as baseline and seeking to achieve the objectives set out in section 43 of this paper.
43. The LGA will gather evidence and opinion on what is needed in an updated and fit-for-purpose code, including considering the review into local government ethical standards undertaken by the Committee on Standards in Public Life and the evidence submitted to the review. The LGA will research the existing local bespoke codes currently used by councils across the country and will work with elected members and officers to consider and evaluate good practice.
44. The LGA will seek to identify good practice codes from the range of tiers of government, other sectors, and organisations that address important issues for local government and public office.
45. The LGA will hold a workshop with members, officers and representative organisations during this period as part of the broader LGA Civility in Politics work. This workshop will also present an opportunity for an exchange of ideas, developing an understanding of the different stakeholders' views with the aim of co-production, collaboration and consensus.
46. From this exercise a collection of suggested propositions for inclusion in the final model code will be presented to the LGA Leadership Board. Following the outcome of the Leadership Board consideration, a draft model code will be prepared for consultation.
47. The form of consultation will need further discussion and will be determined by how the model code develops. The LGA will use its existing methods of research, communication and engagement with its membership, partners and stakeholders. This could include conferences, round tables, regional meetings, online forums, etc, with the aim of achieving as wide a sector engagement as is possible.
48. It is proposed that the consultation period should be a minimum of 8 weeks.
49. The outcome of the consultation and a draft final model code will be presented to the LGA Leadership Board for final discussion and approval. It is recommended that Leadership Board put forward the final model code, as part of its broader work on Civility



Click here to enter text.

Click here to enter a date.

Item no.

in Politics, to the LGA General Assembly, held at the LGA annual conference in July, for adoption.

Who will the LGA work with to review the model code of conduct?

50. It will be important, if the review of the model code of conduct is going to result in a consensus about good standards in public office and the generation of a code that members and officers consider attainable and workable, that organisations that represent smaller family groupings within local government form part of the creation, adoption and promotion of the code, in a spirit of co-production. As such, the LGA will seek to engage with:

- The National Association of Local Councils (NALC)
- County Council's Network (CCN)
- District Council's Network (DCN)
- SOLACE
- Lawyers in Local Government
- Association of Democratic Services Officers
- Society of Local Councils Clerks
- Monitoring Officers Network

51. The LGA will also seek the views of MHCLG, the Home Office and the Committee on Standards in Public Life.

How will a final renewed code of conduct be agreed?

52. The structures of the LGA mean that the final sign-off of the code on behalf of the LGA and its member authorities will be the responsibility of the LGA's Board of Directors / Leadership Board, which they will do on behalf of all member authorities in local government. The LGA will also seek, in a spirit of consensus and collaboration, for NALC, CCN, DCN, SOLACE, Lawyers in Local Government, the Association of Democratic Services Officers, the Society of Local Councils Clerks, Monitoring Officers Network, and MHCLG to also endorse the revised model code of conduct. It is also proposed to take the updated model code of conduct to LGA General Assembly at the July 2020 annual conference.

53. The LGA's work on the model code of conduct will provide an opportunity for the LGA to review its own procedures.

Developing consensus in the development and adoption of a renewed model code of conduct

54. For the model code of conduct to have traction with the sector, it will need to address the expectations, views, opinions and experiences of members and officers, recognise the

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

value of good political discourse and how trust in local government is affected by conduct. The LGA's organisational structures mean that agreement is on behalf of local government, rather than a single interest group within the local government structure and family.

55. Members at the LGA have expressed their view that, as individuals whose behaviour is being modelled in the code of conduct, it is essential that they oversee and are fully involved in its development and can sign up to it. The LGA has championed the value of peer-to-peer review and support, and we will embrace those principles in the review of the code. It is in the interests of the LGA and all elected members that the office of local councillor is imbued with trust and a high degree of ethics so that their role and decisions can be robustly defended. It is also important in the continued recruitment of future councillors.
56. Members at the LGA want to ensure that the code will be compatible with upholding the country's democratic principles and structures, and on-going political representation for their residents. They want to see an equal expectation of conduct between members and officers, between members, with the general public, and with others in public office such as Police Crime Commissioners and MPs, so that all are clear about the expected behaviour and the procedures should their behaviour fall short.
57. Members at the LGA also want to ensure that the code is not used as a tool that could remove members on grounds that may not follow natural justice or that it is abuse for personal or political gain by members, officers or the general public. The code needs to provide safeguards for both members and officers.
58. We want to achieve a shift in attitudes that sees the code of conduct as a tool to support members in achieving good standards in public office, rather than a tool that simply penalises poor behaviour. The code should be a way of supporting members who have been subjected to poor behaviour by members and/or staff and/or the general public.
59. It is also important that the impact on staff and the running of the council, should a member's behaviour fall short of what is expected of public office, is given due weight in any review, and that the code provides the tools to address such behaviour.
60. For the code to be successful we need to seek to build consensus, with the primary objective that the code articulates the standards that are expected for anyone in public office or working for the public.
- 61. Outline timetable**
- September 2019 – discussion with Leadership Board
 - October 2019 – research begins

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

- November/December 2019 – research and engagement with stakeholders and councils including LGA workshop
- January 2020 – creating of proposal draft code and discussion with Leadership Board on 22 January
- February/March/April 2020 – consultation with member authorities and stakeholders
- May 2020 - bringing together draft code
- June 2020 – draft code to Leadership Board on 3 June for final discussion and approval
- July 2020 – final code launched at LGA General Assembly

Implications for Wales

62. The LGA has worked jointly with the WLGA in the development of its ‘guide for councillors on handling intimidation’ and in the associated session at the LGA 2019 annual conference. The WLGA is keen to work with the LGA on the issue of intimidation, and its Chair, Cllr Debbie Wilcox, has been active on the issue.
63. Cllr Wilcox has set up a diversity in local government group with the leaders of all councils in Wales. Part of its remit is to look at culture in councils and political respect.
64. The WLGA has also engaged with its monitoring officers and all have agreed informally that their councillors will be supported and have the same access to support as employees.
65. The WLGA is hosting the UK Forum for lead members of the UK local government associations on 2nd and 3rd November in Cardiff.

Financial Implications

66. This work programme would be met from existing budgets.

Next steps

67. Officers will take on board the comments and direction and revise the programme accordingly.

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

Appendix 1

Illustrative text for code dealing with the conduct expected of members and co-opted members of the authority when acting in that capacity

You are a member or co-opted member of the [name] council and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Accordingly, when acting in your capacity as a member or co-opted member - You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.

You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.

When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.

You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.

You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.

You must declare any private interests, both pecuniary and non-pecuniary, including your membership of any Trade Union, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out in the box below.

You must, when using or authorising the use by others of the resources of your authority, ensure that such resources are not used improperly for political purposes (including party political purposes) and you must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.

[Click here to enter text.](#)

[Click here to enter a date.](#)

Item no.

Registering and declaring pecuniary and non-pecuniary interests

You must, within 28 days of taking office as a member or co-opted member, notify your authority's monitoring officer of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a husband or wife, or as if you were civil partners.

In addition, you must, within 28 days of taking office as a member or co-opted member, notify your authority's monitoring officer of any disclosable pecuniary or non-pecuniary interest which your authority has decided should be included in the register or which you consider should be included if you are to fulfil your duty to act in conformity with the Seven Principles of Public Life. These non-pecuniary interests will necessarily include your membership of any Trade Union.

If an interest has not been entered onto the authority's register, then the member must disclose the interest to any meeting of the authority at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'.¹

Following any disclosure of an interest not on the authority's register or the subject of pending notification, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State. Additionally, you must observe the restrictions your authority places on your involvement in matters where you have a pecuniary or non-pecuniary interest as defined by your authority.

¹ A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

SUBJECT	Complaints Monitoring Report 2019/2020
RELEVANT MEMBER	Chairman of Audit & Standards Committee – Councillor John Gladwin
RESPONSIBLE OFFICER	Monitoring Officer- Joanna Swift joanna.swift@chilternandsouthbucks.gov.uk Tel : 01494 732761
REPORT AUTHOR	Edwina Adefehinti:edwina.adefehinti@chilternandsouthbucks.gov.uk Tel : 01895 837377
WARD/S AFFECTED	None

1. Purpose of Report

This report informs the Committee about complaints received by the monitoring officer in 2019/20 that members have breached the code of conduct.

RECOMMENDATION:

That the complaints information for 2019/20 is noted.

2. Reasons for Recommendations

It is good practise for the Council to review the complaints received about members on a regular basis and consider any action required to address issues raised.

3. Content of Report

3.1 The Committee monitors complaints on an annual basis due to the historically low number of complaints made against elected and co-opted members of local authorities in Chiltern District.

3.2 As the Committee is aware from 1 July 2012 the responsibility for assessing, investigating and hearing complaints about member conduct was passed to principal councils under the Localism Act 2011, together with the discretion to adopt local arrangements. The Committee reviewed these arrangements in 2019 and a copy of the current Complaints Procedure is attached at Appendix 1 for information. Although the Localism Act removed the responsibility for Chiltern District Council to ensure high standards of conduct amongst town and parish councils in the district, any complaints that town or parish councillors may have breached their council's code of conduct are also dealt with under this complaints procedure.

3.3 There are a total of 219 elected and co-opted members of the district/town parish councils in Chiltern and historically the number of formal complaints about councillors has been very low. This trend has continued in the last financial year and the Committee will be pleased to note that no formal complaints about district council members and no complaints about town/parish councillors have been received.

3.4 The position for 2019/20 is set out in the following table, together with the figures for 2018/19 by way of comparison.

Authority	2019/2020	2018/2019
CDC	0	3
Town/ Parish Councils	0	1
Total	0	4

4. Consultation

Not applicable.

5. Options (if any)

The report provides a factual summary of the complaints received.

6. Corporate Implications

Reports must include specific comments addressing the following implications:

- 6.1 Financial- None
- 6.2 Legal – As set out in the report
- 6.3 Risks issues – None
- 6.4 Equalities - None

7. Unitary Implications (if applicable)

Responsibility for assessing, investigating and hearing complaints about member conduct will transfer to the Unitary Authority from 1 April 2020.

8. Links to Council Policy Objectives

Whilst there is no direct link to the Council's main objectives the Council has a statutory obligation to adopt a Code of Conduct.

9. Next Steps

This is the last complaints monitoring report for Chiltern District Council.

Background Papers:	None except those referred to in the report
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Appendices

Appendix 1- Complaints Procedure



CHILTERN
District Council

ARRANGEMENTS FOR DEALING WITH STANDARDS ALLEGATIONS UNDER THE LOCALISM ACT 2011 (ADOPTED 17 JANUARY 2018)

1. Context

These "Arrangements" set out how to make a complaint that an elected or co-opted Member of Chiltern District Council or a Parish or Town Council in the area has failed to comply with the Code of Conduct, and sets out how the Council will deal with allegations of a failure to comply with the Code of Conduct.

Under Sections 28(6) and (7) of the Localism Act 2011, the Council must have "arrangements" in place under which allegations that a Member or co-opted Member of the Council or of a Parish or Town Council in the area has failed to comply with the Code of Conduct can be investigated and decisions made on such allegations.

These arrangements must provide for the Council to appoint at least one Independent Person whose views must be sought before the Council takes a decision on an allegation which it has decided shall be investigated, and whose views can be sought by the Council at any other stage, or by a Member, or co-opted Member of a Parish or Town Council in the area, against whom an allegation has been made.

2. The Code of Conduct

The Council has adopted a Code of Conduct for its Members, which is attached at Appendix 2 and is available for inspection on the Council's website and on request by emailing the monitoring officer at: monitoringofficer@chilternandsouthbucks.gov.uk.

Each Town and Parish Council is also required to adopt a Code of Conduct and copies are available either on the Parish or Town Council's website or on request from the Clerk to the relevant Council.

3. Making a complaint

The monitoring officer is a senior officer of the Council who has statutory responsibility for maintaining the Register of Members' Interests and administers the procedure for dealing with complaints of Member misconduct.

To ensure the monitoring officer has all the information necessary to process your complaint, please complete the Model Complaint Form at Appendix 1, which can be downloaded from the Councils website at www.chiltern.gov.uk/contactus/commentscomplimentsandcomplaints and is also available on request from the Monitoring Officer by email to monitoringofficer@chilternandsouthbucks.gov.uk or by telephone to: 01494 732761.

Please provide your name and a contact address or email address your complaint can be

acknowledged and we can keep you informed of its progress. If you want to keep your name and address confidential, please indicate this and the reason why, in the space provided on the Complaint Form. Please note that we will not deal with anonymous complaints.

Please send your completed Complaint Form and any relevant documents by email to:

monitoringofficer@chilternandsouthbucks.gov.uk

Or by post to:

Monitoring Officer
Chiltern District Council
King George V House
King George V Road
Amersham HP6 5AW

4. What happens next?

The monitoring officer will acknowledge receipt of your complaint within 5 working days. If your complaint is **not** about member conduct then the Monitoring Officer will not consider it but will, where possible, refer you to any relevant procedure available.

For example the following are not covered by this complaints procedure:

- Complaints about the conduct of councillors when acting in their personal capacity i.e. not acting as an elected or co-opted member of the Council
- Dissatisfaction with a decision or action of the Council or one of its committees
- Complaints about a service provided by the Council
- Complaints about the Council's procedures
- The actions of people employed by the Council

If a complaint alleges that Members may have committed a criminal offence by breaching the "disclosable pecuniary interest" provisions under Section 34 of the Localism Act 2011, it will be referred to Thames Valley Police for consideration, in accordance with the Protocol at Appendix 8.

Your complaint will be considered in three Stages with the aim of reaching a satisfactory resolution. Under Stages One and Two only the details contained in the Complaint Form will be considered. Therefore it is important that you set out your complaint clearly and provide all the information you wish to be considered at the outset.

As a matter of fairness and natural justice we believe members who are complained about have a right to know who has made the complaint and to be provided with full details of the complaint. We are unlikely to withhold your identity or the details of your complaint unless you have good reason to believe that to do so would be contrary to the public interest, would prejudice any subsequent investigation or you have reasonable grounds for believing you or any witness in the matter would be at risk.

The Member will still be informed that a complaint has been made - and unless to do so would lead to the disclosure of your identity, will be informed of the paragraphs of the Code which are alleged to have been breached. However, your details and a full copy of the complaint will be

withheld until your request has been considered.

The assessment of a request for confidentiality will be considered against the following criteria – but with the balance always being in favour of disclosure unless exceptional circumstances exist to determine otherwise:

- 1) The complainant has reasonable grounds for believing that they will be at risk of physical harm if their identity is disclosed.
- 2) The complainant is an officer who works closely with the subject member and they are afraid of the consequences to their employment or of losing their job if their identity is disclosed.
- 3) The complainant suffers from a serious health condition and there are medical risks associated with their identity being disclosed (medical evidence may be required to be submitted).
- 4) Any other very special circumstances put forward by the complainant which identify reasonable grounds for believing that disclosure of details would result in the complainant or witnesses being intimidated or lead to evidence being compromised or destroyed.

Please note that requests for confidentiality or requests for suppression of complaint details will not be automatically be granted. The monitoring officer will consult with the Independent Person to consider your request alongside the substance of your complaint. If your request for confidentiality is not granted, you will be asked whether you wish the Council to continue to consider your complaint.

5. Stage One

We will tell the Member that you are complaining about that we have received a complaint and provide them with a copy (unless your request for confidentiality has been agreed).

The Member will be invited to respond within 20 working days – including in their response any suggestion to resolve the complaint.

This response will be made available to you and you will be asked if you are satisfied – if yes, no further action will be taken or the action proposed by the Member will proceed – or you will be asked if you wish your complaint to be considered further under Stage Two.

6. Stage Two

Your complaint will then be assessed by the monitoring officer having regard to the Referral Criteria at Appendix 3 and who will decide, after consultation with the Chairman/Vice-Chairman of the Councils Audit and Standards Committee and the Independent Person (whose views will be taken into account), whether your complaint should be referred for investigation. This will happen within an average of 20 working days from the commencement of Stage Two.

When a decision has been made you will be notified in writing. The monitoring officer will also write to the member(s) you have complained about and the parish or town clerk (if applicable). These letters will be sent within five working days of a decision being reached. The decision is made available for public inspection once the member concerned has been given a copy of the decision.

The decision of the monitoring officer is final and there is no right of appeal.

In appropriate cases, the monitoring officer may seek to resolve the complaint informally, without the need for a formal investigation. Such informal resolution may involve the Member accepting that his/her conduct was unacceptable and offering an apology or the complaint maybe considered suitable for mediation or such other remedial action by the Council on the recommendation of the monitoring officer. Where the Member concerned makes a reasonable offer of informal resolution such as an apology or agrees for the complaint to be mediated but you are not willing to accept that offer, the monitoring officer will take this into account in deciding whether the complaint merits formal investigation

7. Stage Three

If the decision at Stage Two is to investigate the complaint the monitoring officer will appoint an Investigating Officer, who may be another senior officer of the Council, an officer of another Council or an external investigator. The investigator's report will be considered by the Hearings Sub-Committee of the Council's Audit and Standards Committee. The Council has adopted a model procedure for the investigation of complaints, which is attached at Appendix 4 together with an explanatory flowchart. Details of the both the investigation procedure and the procedure if the matter proceeds to a hearing are explained further below.

8. How is the investigation conducted?

Ordinarily the Council would hope that investigations will take no more than 6 months to complete from the date the decision to investigate is taken. This will very much depend on the facts of each complaint and some investigations may be concluded earlier and others may take longer.

It is vital to the timely completion of investigations that you, as the complainant, and the subject Member under investigation, comply with the reasonable requirements of the Investigating Officer in terms of interview attendance and supplying relevant documents. If you, as the complainant, do not co-operate the Investigating Officer monitoring officer for direction as to whether the investigation should be terminated. Similarly if the subject Member does not comply, the Investigating Officer will proceed to determine the investigation in the absence of their contribution and may draw an adverse inference from their non-cooperation.

The Investigating Officer will normally carry out the investigation in accordance with the model procedure detailed at Appendix 4 although may decide to depart from this if the circumstances of the complaint warrant it.

As an initial step, and subject to any ruling on disclosure, the Investigating Officer may write to the subject Member at the beginning of the investigation to see if the subject Member still wishes to contest the complaint. Subject to this the investigation will normally follow the model procedure at Appendix 4.

At the end of the investigation, the Investigating Officer will produce a draft report and will send copies of the draft report, in confidence, to you and to the Member concerned to give you both an opportunity to identify any matter in that draft report which you disagree with or which you consider requires more consideration.

Having received and taken account of any comments which you may make on the draft report, the Investigating Officer will send his/her final report to the Monitoring Officer.

It should be noted that at any time during an investigation, the Investigating Officer may, following consultation with the Independent Person, refer the matter back to the monitoring officer for re-consideration as to whether the investigation should proceed if the Investigating Officer considers that the Re-consideration Criteria in Appendix 3 are satisfied.

9. What happens if the Investigating Officer concludes that there is no evidence of a failure to comply with the Code of Conduct?

The monitoring officer will review the Investigating Officer's report and consult with the Independent Person thereon. If having done so the monitoring officer is satisfied that the Investigating Officer's report is sufficient, the monitoring officer will write to you and to the Member concerned and to the Parish or Town Council on which the Member serves, notifying you that he is satisfied that no further action is required, and give you both a copy of the Investigating Officer's final report. If the monitoring officer is not satisfied that the investigation has been conducted properly, the Investigating Officer may be asked to re-consider his/her report.

10. What happens if the Investigating Officer concludes that there is evidence of a failure to comply with the Code of Conduct?

The Monitoring Officer will review the Investigating Officer's report and after consulting the Independent Person will consider whether Local Resolution should be attempted or the matter should proceed direct to hearing before the Hearings Sub-Committee.

• Local Resolution

The monitoring officer will consult with the Independent Person and with you as complainant and seek to resolve the complaint in a way that helps to ensure higher standards of conduct for the future. Such resolution may include the Member accepting that his/her conduct was unacceptable and offering an apology or the complaint being referred for mediation or such other remedial action as is considered appropriate in the circumstances. If the Member complies with the suggested resolution, the monitoring officer will report the matter to the Audit and Standards Committee and for complaints about Town/Parish councillors, the relevant Parish or Town Council, but will take no further action. However, if the Member concerned does not accept that the matter should be resolved in such a manner, the monitoring officer will refer the matter for a hearing before the Hearings Sub-Committee.

• Hearings Sub-Committee

If the monitoring officer considers that Local Resolution is not appropriate or the Member concerned does not accept that the matter should be resolved in such a manner, then the monitoring officer will submit the Investigating Officers report to the Hearings Sub-Committee which will conduct a Hearing before deciding whether the Member has failed to comply with the Code of Conduct and, if so, whether to take any action in respect of the failure.

In readiness for convening a meeting of the Hearings Sub-Committee, the monitoring officer will conduct a written "pre-hearing process", requiring the Member concerned to give their response

to the Investigating Officer's report in order to identify what is likely to be agreed and what is likely to be in contention at the Hearing.

If, through the "pre-hearing process", the Member concerned accepts the Investigating Officer's report, they will be given the opportunity to provide a statement of mitigation which they may invite the Hearings Sub-Committee to consider in their absence. Alternatively, the Member may elect to attend a Hearings Sub-Committee to present their mitigation. In either case, the "uncontested" hearing procedure will be followed as set out at Appendix 5.

Where, following the "pre-hearing process", the Investigating Officer's report remains in contention, the matter will be set down for a "contested" hearing before the Hearings Sub-Committee and the hearing procedure set out at Appendix 6 will be followed.

At the hearing, the Investigating Officer will present his/her report, call such witnesses as considered necessary and make representations to substantiate the conclusion that the Member has failed to comply with the Code of Conduct. For this purpose, the Investigating Officer may ask you, as the complainant, to attend and give evidence. Unless called to do so by the Investigating Officer, you do not have the right to address the Hearings Sub-Committee of your own volition.

The Member will then have an opportunity to give evidence, to call witnesses and to make representations about why they consider they did not fail to comply with the Code of Conduct. The Member may be represented legally or otherwise.

The Hearings Sub-Committee, with the benefit of any advice from the Independent Person, may conclude that the Member did not fail to comply with the Code of Conduct and so dismiss the complaint. If the Hearings Sub-Committee concludes that the Member did fail to comply with the Code of Conduct, the Chairman will inform the Member of this finding and the Hearings Sub-Committee will then consider what action, if any, should be taken. In doing this, the Hearings Sub-Committee will give the Member an opportunity to make representations to them and will consult the Independent Person before deciding what action, if any, to take in respect of the matter.

11. What action can the Hearings Sub-Committee take where a Member has failed to comply with the Code of Conduct?

The Council has delegated to the Hearings Sub-Committee such of its powers to take action in respect of individual Members as may be necessary to promote and maintain high standards of conduct. Accordingly, the Sub-Committee may:

- Write to the Member over their conduct;
- Publish its findings in the local media in respect of the Member's conduct;
- Report its findings to the Council or to the Parish or Town Council concerned;
- Recommend to the Member's Group Leader (or in the case of un-grouped Members, recommend to the Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;

- Recommend to the Leader of the Council that the Member be removed from the Cabinet or removed from particular Portfolio responsibilities;
- Instruct the monitoring officer to, or recommend to the Parish or Town Council concerned that it, arrange training for the Member;
- Recommend removal, or recommend to the Parish or Town Council concerned removal, of the Member from all outside appointments to which he/she has been appointed or nominated by the Council or the Parish or Town Council;
- Withdraw, or recommend to the Parish or Town Council concerned that it withdraws, facilities provided to the Member by the Council, such as a computer, website and/or email and Internet access; or
- Recommend that any aspects of the complaint that are considered suitable be referred for mediation between the parties; or
- Exclude, or recommend to the Parish or Town Council concerned that it excludes, the Member from the Council's offices or other premises with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee Meetings.

The Hearings Sub-Committee has no power to suspend or disqualify the Member or to withdraw a Member's basic allowance or any special responsibility allowances.

12. What happens at the end of the Hearing?

At the end of the hearing, the Chairman will announce the Sub-Committee's decision as to whether the Member has failed to comply with the Code of Conduct and as to any action which the Sub-Committee resolves to take.

As soon as reasonably practicable thereafter, the monitoring officer will prepare a formal decision notice in consultation with the Chairman of the Sub-Committee and send a copy to you, to the Member concerned and to any relevant Parish and Town Council, make such decision notice available for public inspection and report the decision to the next convenient meeting of the Audit & Standards Committee.

The decision of the Hearings Sub-Committee is final and is not subject to a right of appeal.

13. What is the Hearings Sub-Committee?

The Hearings Sub-Committee is made up of 3 elected Members of the Council's Audit & Standards Committee.

An Independent Person is invited to attend all meetings of the Hearings Sub-Committee and their views are sought and taken into consideration on whether a Member's conduct constitutes a failure to comply with the Code of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.

14. Who is the Independent Person?

An Independent Person is someone who has been appointed by the Council under Section 28 of the Localism Act 2011.

Independent Persons must be appointed through a process of public advertisement, application and appointment by a positive vote of a majority of all members of the District Council – i.e. by full Council.

A Person is considered not to be 'independent' if they are, or have been in the previous 5 years:

- an elected or co-opted member or officer of the District Council or any Parish in the area
- an elected or co-opted member of any committee or sub-committee of the District Council or any Parish in the area

or they are a relative or close friend of a current elected or co-opted member or officer of the District Council or any Parish or Town Council the area – or any elected or co-opted members of any committee or sub-committee of such a Council.

15. Revision of these arrangements

The Audit & Standards Committee may amend these arrangements.

The Chairman of any Hearings Sub-Committee may, following consultation with the Independent Person, depart from the procedures detailed above where he/she considers it is expedient to do so in order to secure the effective and fair consideration of any matter.

If the monitoring officer considers that he/she may be conflicted in the discharge of these arrangements, he may delegate such matters to a Deputy monitoring officer to discharge.

16. Appeals

There is no right of appeal for you as complainant or for the Member against a decision of the monitoring officer or the Hearings Sub-Committee.

If you feel that the Council has failed to deal with your complaint in accordance with these arrangements, you may make a complaint to the Local Government Ombudsman.

Appendix 1	Model Complaint Form
Appendix 2	CDC Code of Conduct – Revised 28.02.18
Appendix 3	Assessment Criteria
Appendix 4	Procedure for Investigations
Appendix 5	Uncontested Hearing Procedure
Appendix 6	Contested Hearing Procedure
Appendix 7	Protocol with Thames Valley Police on Reporting Potential Criminal Offences

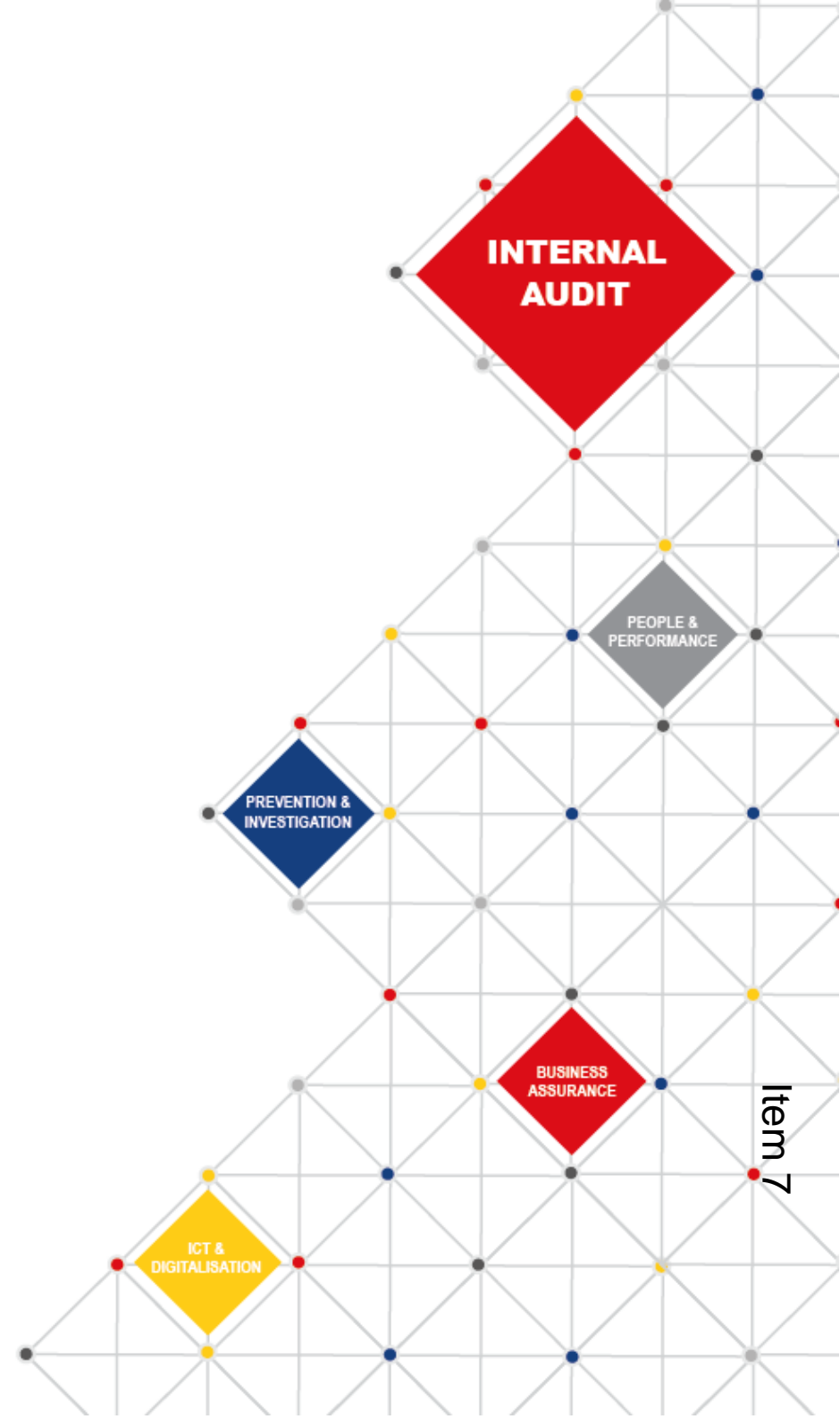
Chiltern District Council

Page 53

**Internal Audit Annual Report
2019/20**

FINAL

2019/20



Internal Audit Annual Report

INTRODUCTION

This is the 2019/20 Annual Report by TIAA on the internal control environment at Chiltern District Council. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation’s framework of governance, risk management and control. This report is designed to assist the Council in making its annual governance statement.

HEAD OF INTERNAL AUDIT’S ANNUAL OPINION

I am satisfied that sufficient internal audit work has been undertaken to allow me to draw a positive conclusion as to the adequacy and effectiveness of Chiltern District Council’s risk management, control and governance processes. In my opinion, Chiltern District Council has adequate and effective management, control and governance processes in place to manage the achievement of their objectives.

INTERNAL AUDIT PLANNED COVERAGE AND OUTPUT

The 2019/20 Annual Audit Plan approved by the Audit and Standards Committee was for 330 days of internal audit coverage in the year (to include Chiltern District Council). During the year there were several changes to the Audit Plan and these changes were approved by the Audit and Standards Committee.

The majority of the planned work has been carried out and the reports have been issued (Annex A).

ASSURANCE

TIAA carried out or are in the process of carrying out and finalised some 19 reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Council’s objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	10	13
Reasonable Assurance	9	1
Limited Assurance	-	-
No Assurance	-	-

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our finalised and draft audit work carried out in 2019/20.

Urgent	Important	Routine
-	12	24

AUDIT SUMMARY

Control weaknesses: There were no areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited' or 'no assurance'.

Recommendations Made: We have analysed our findings/recommendations by risk area and these are summarised below.

Risk Area	Urgent	Important	Routine
Directed	-	-	7
Compliance	-	8	22
Operational	-	4	-
Reputational	-	-	-

Operational Effectiveness Opportunities: One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Operational
5

INDEPENDENCE AND OBJECTIVITY OF INTERNAL AUDIT

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

PERFORMANCE AND QUALITY ASSURANCE

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits (inc. drafts)	100%	86%
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	100%
Compliance with Public Sector Internal Audit Standards	100%	100%

Ongoing quality assurance work was carried out throughout the year and we continue to comply with ISO 9001:2015 standards. An independent external review was carried out of our compliance of the Public Sector Internal Audit Standards (PSIAS) in 2017 and in particular to meet the requirement of an independent five year review, the outcome confirmed full compliance with all the standards. Our work also complies with the IIA-UK Professional Standards.

RELEASE OF REPORT

The table below sets out the history of this Annual Report.

Date Report issued:	20 February 2020
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Annexes

Annex A

Actual against planned Internal Audit Work 2019/20

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Governance	Assurance	0(8)	0		Cancelled
Complaints and Compliments	Assurance	6	6	Reasonable	Final
Performance Management/Efficient Working	Assurance	8	8	Substantial	Final
Contracts - Novation	Assurance	9	9		In progress
Information Governance/Data Quality	Assurance	8	8	Reasonable	Final
Subject Access Requests	Assurance	8	8	Reasonable	Final
Emergency Planning	Assurance	8	8	Substantial	Final
Health and Safety – Internal Arrangements	Assurance	7	7		In progress
Purchase Cards	Assurance	8	8	Substantial	Final
Expenses	Assurance	8	8	Reasonable	Final
Main Accounting	Assurance	7	7	Substantial	Final
Payroll	Assurance	11	11	Substantial	Draft
Accounts Receivable (Debtors)	Assurance	8	8	Substantial	Final
Accounts Payable (Creditors)	Assurance	8	8	Substantial	Final
Benefits and Council Tax Support	Assurance	13	13	Substantial	Final
Council Tax and NDR	Assurance	25	25	Substantial	Final
Cash and Bank	Assurance	7	7	Substantial	Draft
Treasury Management	Assurance	7	7	Substantial	Draft
ICT – Annual Network Audit	Assurance	6	6	Reasonable	Final

Page 56

Item 7

ICT – Network Infrastructure	Assurance	6	6	Reasonable	Final
ICT – Information Management	Assurance	6	6	Reasonable	Final
Housing Allocations and Homelessness/Temp Accommodation	Assurance	8	8		In progress
Disabilities Facilities Grant	Assurance	5	5	Substantial	Final
Leisure Contract	Assurance	8	8	Substantial	Draft
Waste services (Chiltern, Wycombe and South Bucks)	Assurance	11	11		In progress
Car Parking	Assurance	7	7	Substantial	Final
Commercial Rents/debt recovery	Assurance	8	8	Reasonable	Draft
Equalities	Assurance	0(8)	0		Cancelled
Contractor Health & Safety audit	Assurance	8	8	Reasonable	Final
Risk Management Assistance	Assurance	15	15	No opinion given	
<u>Crematorium</u>	Assurance				
Annual Internal Audit	Assurance	6	6	Reasonable	Final
Additional Audit		0(6)	0		Cancelled

Chiltern District Council

Page 59

Internal Audit Progress Report 2019/20

Audit and Standards Committee –

12 March 2020

FINAL

2019/20

February 2020

INTRODUCTION

1. This summary report provides the Audit Committee with an update on the progress of our work at Chiltern and South Bucks District Councils as at 20 February 2020.

PROGRESS AGAINST THE 2019/20 ANNUAL PLAN

2. Our progress against the Annual Plan for 2019 -20 is set out in Appendix A. The results of finalised audits for 2019/20 with Priority 1 or 2 recommendations are shown at Appendix B.

EMERGING GOVERNANCE, RISK AND INTERNAL CONTROL RELATED ISSUES

3. We have identified no emerging risks which could impact on the overall effectiveness of the governance, risk and internal control framework of the organisation.

AUDITS COMPLETED SINCE THE LAST REPORT TO COMMITTEE

4. The table below sets out details of audits finalised since the previous meeting of the Audit and Standards Committee on 16 October 2019.

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OE
<u>2019/20 Audit Reports</u>								
Complaints and Compliments	Reasonable	20/11/19	18/12/19	20/12/19	-	2	1	3
Emergency Planning	Substantial	24/11/19	13/12/19	17/12/19	-	-	-	-
Contractor Health and Safety	Reasonable	19/11/19	11/12/19	12/12/19	-	-	5	-
Payroll	Substantial	13/02/20		Still at draft	-	-	-	-
Cash and Bank	Substantial	19/02/20		Still at draft	-	-	-	-
Treasury Management	Substantial	19/02/20		Still at draft	-	-	-	1
Leisure contract	Substantial	19/02/20		Still at draft	-	-	-	-

Commercial Rents/Debt Recovery	Reasonable	19/02/20		Still at draft	-	-	2	-

*OEM = Operational Effectiveness Matters (these are good practice suggestions that have arisen during the audit)

Copies of the finalised reports (recommendations only) where priority one or two recommendations have been made are attached at Appendix B.

CHANGES TO THE ANNUAL PLAN 2019/20

6. The following changes have been made to the Annual Internal Audit Plan for 2019/20:
 - 1) Delete Equalities – 8 days (Audit not a priority in 2019/20)
 - 2) Add Contractor Health and Safety audit – 8 days
 - 3) Delete Governance – 8 days (Audit not required as Council will not exist beyond 31 March 2020)
 - 4) Delete Crematorium – Additional Audit – 6 days

Page 61

FRAUDS/IRREGULARITIES

7. We have not been advised of any frauds or irregularities in the period since the last summary report was issued.

LIAISON

8. We liaise with EY and provide reports and working paper files, as required.
We have regular client meetings with the Audit, Fraud and Error Reduction Manager and Head of Finance.

PROGRESS ACTIONING PRIORITY 1 RECOMMENDATIONS

9. We have not made any Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous Progress Report

RISK MANAGEMENT

10. The Audit Director with TIAA and the Councils Audit, Fraud & Error Reduction Manager meet on a regular basis to discuss and action Risk Management matters for both Councils.

Item 8

The current Risk Procedures/Guidance for Risk Management is being reviewed and progress is being made to display appropriate information on Risk Management throughout both Councils. This will include posters on all notice boards at the main civic offices for South Bucks and Chiltern Councils, as well as data on the Councils intranet.

Appropriate training has been developed and is been delivered to all middle managers. The latest training has been given to managers during October 2019.

RESPONSIBILITY/DISCLAIMER

11. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Progress against the Annual Plan for 2019/20

System	Planned Quarter	Days	Current Status	Comments
Governance	3	0(8)		Audit cancelled
Complaints and Compliments	2	6	Final report issued 20 December 2019	
Performance Management/Efficient Working	1	8	Final report issued 16 October 2019	
Contracts - Novation	1	9	In progress	
Information Governance/Data Quality	3	8	Final report issued 28 November 2019	
Subject Access Requests	2	8	Final report issued 15 October 2019	
Emergency Planning	2	8	Final report issued 17 December 2019	
Health and Safety – Internal Arrangements	2	7	In progress	
Purchase Cards	1	8	Final report issued 18 September 2019	
Expenses	1	8	Final report issued 21 October 2019	
Main Accounting	3	7	Final report issued 6 December 2019	
Payroll	3	11	Draft report issued 13 February 2020	
Accounts Receivable (Debtors)	3	8	Final report issued 5 December 2019	
Accounts Payable (Creditors)	3	8	Final report issued 5 December 2019	
Benefits and Council Tax Support	1	13	CDC – final report issued 15 July 2019. SBDC–final report issued 1 October 2019	
Council Tax and NDR	1	25	CDC – final report issued 9 August 2019. SBDC – final report issued 15 October 2019	
Cash and Bank	3	7	Draft report issued 19 February 2019	

System	Planned Quarter	Days	Current Status	Comments
Treasury Management	3	7	Draft report issued 19 February 2020	
ICT – Annual Network Audit	2	6	Final report issued 9 July 2019	
ICT – Network Infrastructure	2	6	Final report issued 9 July 2019	
ICT – Information Management	2	6	Final report issued 30 August 2019	
Housing Allocations and Homelessness/Temp Accommodation	2	8	In progress	
Disabilities Facilities Grant	1	5	Final report issued 1 July 2019	
Leisure Contract	2	8	Draft report issued 19 February 2020	
Waste services (Chiltern, Wycombe and South Bucks)	2	11	In Progress	
Car Parking	2	7	Final report issued 10 September 2019	
Commercial Rents/debt recovery	1	8	Draft report issued 19 February 2020	
Equalities	3	0(8)		Audit Cancelled
Contractor Health & Safety audit	3	8	Final report issued 12 December 2019	
Risk Management Assistance	1-4	15	All work complete for 2019 / 20	This provides risk management assistance to officers throughout the year including risk workshops
<u>Crematorium</u>				
Annual Internal Audit	1	6	Final report issued 5 November 2019	
Additional Audit	1	0(6)		Audit Cancelled

KEY:

	=	To be commenced
	=	Site work commenced
	=	Draft report issued
	=	Final report issued

Recommendations – Priority 1 and 2 Only

Audit Report: Complaints and Compliments
Report Issued: 20 December 2019

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Compliance	Sample testing of 10 complaints highlighted three cases where the Stage 1 response had not been provided within the 10 day target timeframe. In one case the letter that was sent did include an apology for the delay, although it was noted that the complainant had not previously been advised that there would be a delay to the formal response. In another case it was noted that there had been various phone calls with the complainant, however a formal response was not sent until approximately seven weeks after the initial complaint. In the third case, the complainant chased this up after a month having not received a response, and at the time of the audit a response had still not been provided.	Officers be reminded of the importance of formally responding to complaints within the prescribed timeframes. Where these timeframes are unlikely to be met, complainants should be advised in advance of any delays.	2	<p><i>When complaints are forwarded to the relevant officer the text surrounding this will be improved to make it clear to the officer of the time frames – so the Service Level Agreement (SLA) we are operating under – and what processes that should be adhered to should there be a delay and the SLA not met.</i></p> <p><i>This understand can be included in any procedure notes that are issued to officers around complaints.</i></p>	31/12/19	Simon Vockins

Page 65

Item 8

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Compliance	Sample testing highlighted three stage 1 responses which did not include all elements of the standard wording relating to how the complainant could escalate the matter to a Stage 2 complaint if they were still unhappy with the response. For example, the name of the Head of Service was provided but no details of how to contact them. In a further case, the stage 2 response contained a reference to the ability to refer the matter further to the Local Government Ombudsman, but did not include details of how to do this in accordance with the standard template wording.	Officers be reminded of the need to include all relevant details in complaint responses as per the complaints template in order to ensure that complainants are provided with appropriate information as to how the complaint has been dealt with and their ability to escalate the matter further if they are still unsatisfied.	2	<p><i>These need to be checked when they are returned to ensure that all fields within the template are completed.</i></p> <p><i>Work can also be undertaken on the template to make sure officers are well aware of their obligation.</i></p>	31/12/19	Simon Vockins

Chiltern and South Bucks Councils

Follow Up Report of all Outstanding
Recommendations

Page 67

2019/20

February 2020

Executive Summary

INTRODUCTION

- This final follow up review by TIAA of all outstanding internal audit report recommendations has established the management action that has been taken in respect of the priority 1, 2 and 3 recommendations arising from the internal audit reviews listed below at Chiltern and South Bucks District Councils. Unless otherwise specified, these were joint audit reviews for both Chiltern and South Bucks.

Review	Date of Final Report	Recommendations Made	Comments
New Chiltern Car Park	20 August 2019	Four priority three recommendations.	
Council Tax and NDR (Chiltern)	17 October 2019	No recommendations	N/A
Council Tax and NDR (South Bucks)	15 October 2019	Two priority three recommendations	Implemented
Housing Benefits and Council Tax Support (Chiltern)	15 July 2019	No recommendations	N/A
Housing Benefits and Council Tax Support (South Bucks)	1 October 2019	One priority three recommendation	Implemented
Waste Services	10 October 2018	Three priority two and six priority three recommendations	
Planning Development and Enforcement		Three priority two and one priority three recommendation	
ICT - GDPR	1 November 2019	Three priority two recommendations	

Governance	11 April 2019	Three priority three recommendations	
Housing Section 106	2 July 2019	Three priority two recommendations	
Payroll	3 May 2019	One priority three recommendation	Implemented
Procurement	4 June 2019	Two priority two and two priority three recommendations	
Follow up – Temporary Accommodation	5 April 2019	One priority three recommendation	Implemented
ICT Annual Network Audit	9 July 2019	Five priority two recommendations	
Overtime Arrangements	9 May 2019	Four priority three recommendations	
Project Management	8 July 2019	One priority three recommendation	New Unitary will take up this recommendation
Complaints and Compliments	20 December 2019	Two priority two and one priority three recommendation	
Performance Management/Efficient Working	16 October 2019	One priority three recommendation	
Contracts Novation			Audit in progress
Information Governance/Data Quality	28 November 2019	One priority two and two priority three recommendations	

Subject Access Request	15 October 2019	One priority two and one priority three recommendation	
Emergency Planning	17 December 2019	No recommendations	N/A
Health and Safety – internal arrangements			Audit in progress
Purchase Cards	18 September 2019	Three priority three recommendations	
Expenses	21 October 2019	Three priority three recommendations	
Main Accounting	6 December 2019	No recommendations	N/A
Payroll		No recommendations	N/A
Accounts Receivable	5 December 2019	One priority three recommendation	
Accounts Payable	5 December 2019	One priority three recommendation	
Cash and Bank		No recommendations	N/A
Treasury Management		No recommendations	N/A
ICT – Annual Network Audit	9 July 2019	Two priority two recommendations	

ICT – Network Infrastructure	9 July 2019	Three priority two recommendations	
ICT – Information Management	30 August 2019	Two priority two recommendations	
Housing Allocations and Homelessness/Temp Accommodation			Audit in progress
Disabilities Facilities Grant	1 July 2019	Two priority three recommendations	
Leisure Contract		No recommendations	N/A
Waste Services (Chiltern, Wycombe and South Bucks)			Audit in progress
Car Parking	10 September 2019	No recommendations	N/A
Commercial Rents/Debt recovery		Two priority three recommendations	
Contractor Health and Safety Audit	12 December 2019	Five priority three recommendations	
Crematorium – Annual Internal Audit	5 November 2019	One priority two and two priority three recommendations	

KEY FINDINGS

- 2. The follow up review considered whether the management action taken addresses the control issues that gave rise to the recommendations. The implementation of these recommendations can only provide reasonable and not absolute assurance against misstatement or loss.
- 3. **The work to follow up recommendations is very much work in progress and will continue until the end of the financial year. On the 31 March 2020 a final follow up report will be produced which clearly identifies what recommendations have been implemented and the position of those that are outstanding.**

SCOPE AND LIMITATIONS OF THE REVIEW

- 4. The review considers the progress made in implementing the recommendations made in the previous internal audit reports and to establish the extent to which management has taken the necessary actions to address the control issues that gave rise to the internal audit recommendations.
- 5. The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.
- 6. For the purposes of this review reliance was placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

RELEASE OF REPORT

- 7. The table below sets out the history of this report.

Date final report issued:	24 February 2020
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SUBJECT:	Annual Governance Statement 2019/20
REPORT OF:	Director of Resources
RESPONSIBLE OFFICER	Jim Burness Director of Resources
REPORT AUTHOR	Jim Burness, 01494 732940 jim.burness@chilternandsouthbucks.gov.uk
WARD/S AFFECTED	All

1. Purpose of Report

- 1.1 The purpose of this report is to provide Members with sufficient evidence so that they can:
- conduct the statutory review of the effectiveness of the Authority's Governance Framework / system of internal control, and
 - approve the statutory Annual Governance Statement for 2019/20.

RECOMMENDATION

1. **Members are asked to:**
- **review the assurances provided,**
 - **consider whether there are any other significant gaps in control / assurance; and then**
 - **approve the Annual Governance Statement.**

2. Background

- 2.1 Governance is defined as:

'Ensuring the organisation is doing the right things, in the right way, for the right people, in an open, honest, inclusive and timely manner'
(CIPFA / SOLACE).

It comprises the systems and processes, and culture and values by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

Internal control is the name given to the policies, procedures, systems and review mechanisms that are put in place to ensure that the organisation is subject to adequate management to ensure that the organisation meets its objectives. **Internal audit** is one element of internal control.

2.2 The Accounts and Audit Regulations 2015 require that the system of internal control is reviewed at least once a year and that a Governance Statement is produced and included in the annual Statement of Accounts. The actual requirement is as follows:

3. A relevant authority must ensure that it has a sound system of internal control which

(a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;

(b) ensures that the financial and operational management of the authority is effective; and

(c) includes effective arrangements for the management of risk.

6.(1) A relevant authority must, each financial year

(a) conduct a review of the effectiveness of the system of internal control required by regulation 3; and

(b) prepare an annual governance statement;

(2) If the relevant authority referred to in paragraph (1) is a Category 1 authority, following the review, it must

(a) consider the findings of the review required by paragraph (1)(a)

(i) by a committee; or

(ii) by members of the authority meeting as a whole; and

(b) approve the annual governance statement prepared in accordance with paragraph (1)(b) by resolution of

(i) a committee; or

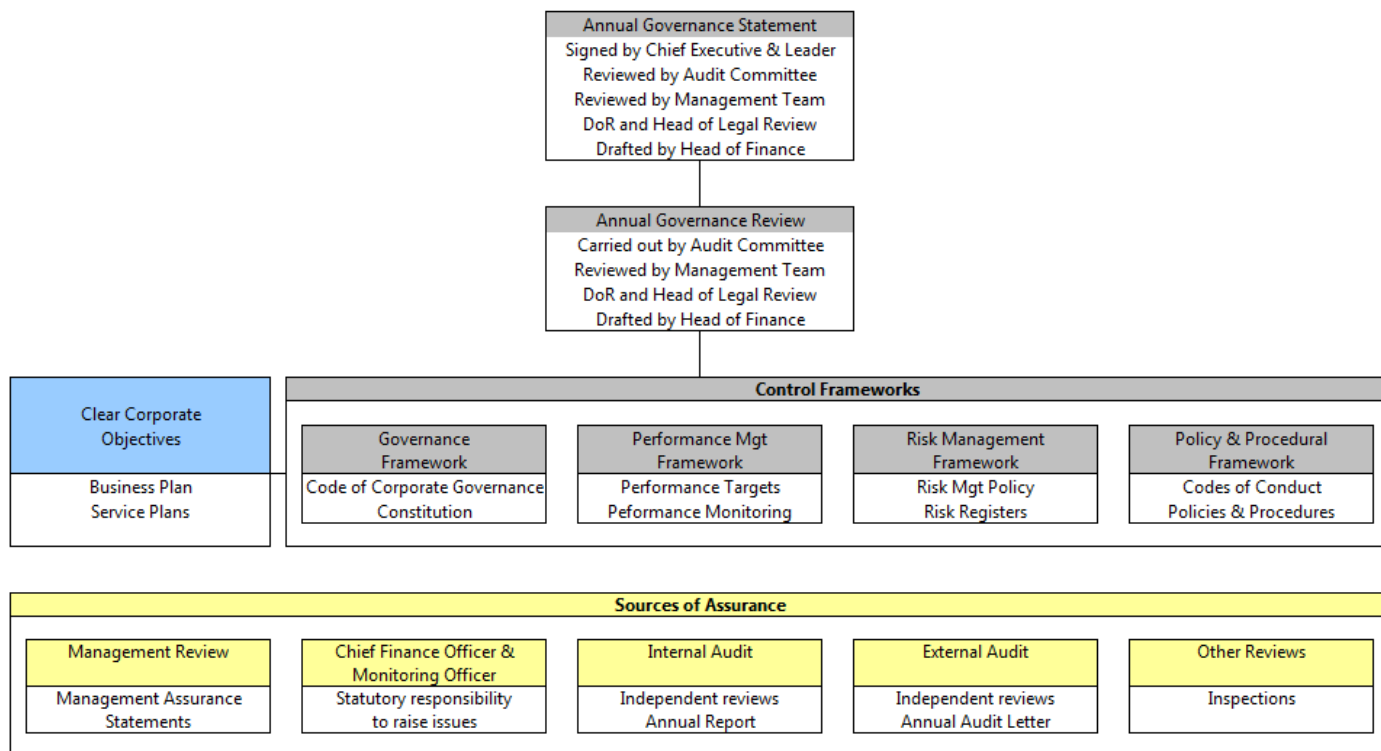
(ii) members of the authority meeting as a whole.

3. Responsibility for Undertaking the Review

3.1 The terms of reference for the Audit & Standards Committee encompass the responsibility, on behalf of the Authority, to conduct the review of internal control and be responsible for reviewing the Annual Governance Statement.

4. Overall Framework

4.1 The diagram below summarises the Authority’s Corporate Governance Assurance Framework.



4.2 Essentially for there to be good corporate governance there needs to be clear corporate objectives supported by four effective frameworks covering Governance, Performance Management, Risk Management and Policies & Procedures.

4.3 And in order to assess the arrangements it is helpful to draw on five sources of assurance namely – Management Review, Statutory Officer Review, Internal Audit, External Audit and Other Reviews.

5. Review of Governance Framework

5.1 The review of the Governance Framework can be undertaken by following 8 steps as set out in the following table.

	Requirement	Comment
1	Establish principal statutory obligations and corporate objectives, and put in place effective Corporate Governance and Performance Management arrangements.	This has been met by: <ul style="list-style-type: none"> Establishing the Council's aims and objectives. Producing the Business Plan and Service plans. Producing the other plans and strategies within the organisation. Adopting a Code of Corporate Governance. Implementing a Performance Management Framework. Further details with regard to meeting this requirement are included in Appendix 1.
2	Identify principal risks to achievement of objectives.	This has been met by the production of strategic and operational risk registers. Further details with regard to meeting this requirement are included in appendix 2.
3	Identify and evaluate key controls to manage principal risks.	This is met as the risk registers require risks to be assessed and mitigating controls identified. Further details with regard to meeting this requirement are included in Appendix 3.
4	Obtain assurances on effectiveness of key controls.	This is met as it occurs throughout the year as part of the ongoing management of the organisation. However for the purpose of the annual review of internal control it is useful to summarise the key sources of assurance and this is done in section 6 of this report below.
5	Evaluate assurances and identify gaps in control / assurances.	See section 7 of this report below.
6	Draw up an action plan to address weaknesses and ensure continuous improvement of the system of Corporate Governance.	The actions to be taken to address the weaknesses identified are detailed in the Draft Annual Governance Statement.
7	Produce Annual Governance Statement.	Draft statement included as Appendix 4.
8	Report to Members.	This report meets this requirement.

6. Sources of Assurances

6.1 The following table summarises the five key sources of assurance, and the assurances obtained from these sources for 2019/20.

Source of Assurance	Comment from Guidance	Assurance Obtained
Management and Member Review	Managers should routinely monitor and review the internal controls as an integral part of the risk management process.	Officers are: guided by the Council's aims and objectives; operate within the Council's rules and regulations; produce service plans; maintain risk registers; and regularly report on progress to Senior Officers and Members. Risks are reviewed at the monthly Management Team and Heads of Service meeting. For 2019/20 all Heads of Service were required to complete a Management Assurance Return to highlight any known weaknesses in internal control. For the two areas where the Head of Service role is vacant the Assurance Return was covered by the Director of Resources.
The Role of the Chief Finance Officer and the Monitoring Officer	The statutory functions undertaken by these two officers provide a key source of assurance that the systems and procedures of internal control that are in operation are effective, efficient and are being complied with on a routine basis.	During the year no significant issues have been raised by either the Chief Finance Officer (Director of Resources) or the Monitoring Officer (Head of Legal & Democratic Services).
Internal Audit	The relevant body is likely to take assurance from the work of Internal Audit as the Code of Practice for Internal Audit in Local Government requires the Head of Internal Audit to include in the annual Internal Audit report an opinion on the overall adequacy and effectiveness of the Authority's internal control environment. Therefore provided the body can satisfy itself that Internal Audit operates to the standards set out in the Code, the relevant body is justified in taking assurance from this opinion.	The 2019/20 Annual Internal Audit Report contains Internal Audit's Annual Opinion. This states that <i>'In my opinion, Chiltern District Council has adequate and effective management, control and governance processes in place to manage the achievement of their objectives.'</i>

Source of Assurance	Comment from Guidance	Assurance Obtained
External Audit	External Audit are another potential source of assurance on the operation of internal controls although it should be noted that the audit reports / management letters will not cover the full range of activities and risks, and that external auditors are not required to form an opinion on the effectiveness of the relevant body's corporate governance procedures or its risk and control procedures.	To date External Audit have not raised any significant issues of concern with Management.
Other Review Agencies and Inspectorates	The system of internal control covers the whole of the Authority's operations. Aspects of these operations are subject to independent external review and these reports also provide the body with relevant assurance.	Full Public Sector Network (PSN) compliance has been maintained. This has been based in part on external cyber security testing of the Council's network.

7. Gaps in Control and Governance Assurances

- 7.1 Main Governance and control issues are detailed in section 6 of the Annual Governance Statement (Appendix 4).
- 7.2 It is suggested that there are no other significant issues to add but Members are requested to consider whether there are any other significant issues of concern and whether these issues need to be disclosed in the Annual Governance Statement.

8. Annual Governance Statement

- 8.1 A draft Annual Governance Statement is included as Appendix 4.
- 8.2 Members are asked to review the draft Annual Governance Statement and consider whether changes are needed.

9. Corporate Implications

- 9.1 There are no direct financial, legal or human resource implications from this report.

10. Links to Council Policy Objectives

10.1 This report relates to the Authority's Corporate Governance Framework which underpins the effective operation of all the Council's activities.

11. Next Step

11.1 As the Council will cease to exist on 31st March 2020, it will be for the Chief Executive and Leader of the Buckinghamshire Council formally to sign off the Annual Governance Statement and this will be published in the Annual Statement of Accounts.

11.2 The Statement will be reviewed by external audit as part of their audit review process.

Background Papers:	None
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Appendix 1: Evidence to Support Meeting the Requirement to Establish Principal Statutory Obligations and Organisational Objectives (Step 1)

Changes since last year are shown in blue.

Requirement A - There is a mechanism established to identify principal statutory obligations.		
Suggested measure	Evidence	
A1 - Responsibilities for statutory obligations are formally established.	The Authority's constitution sets out how the Council operates, how decisions are made, and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people.	✓
A2 - Record held of statutory obligations.	Service plans detail key statutory obligations in the key service aims and action plan sections.	✓
A3 - Effective procedures to identify, evaluate, communicate, implement, comply with and monitor legislative change exist and are used.	Service managers keep up to date with legislative changes via their professional networks. The legal section also receives notification of changes in legislation, including local government laws ie Lawtel updates, and subscribes to planning and local government encyclopaedias. Where necessary managers write reports on substantive changes, and will update their procedures as required.	✓
A4 - Effective action is taken where areas of non-compliance are found in either mechanism or legislation.	If a non-compliance is found (eg during an audit) then the relevant service manager will update their procedures as required, and will report any substantive issues to the relevant member body. Internal audit undertake a review of audit recommendations to ensure they are implemented by the agreed dates.	✓

Requirement B – There is a mechanism in place to establish corporate objectives.		
Suggested measure	Evidence	
B1 - Consultation with stakeholders on priorities and objectives.	The Authority works within the Local Strategic Partnership framework and has consulted on its priorities. In addition for any major service changes (e.g. waste services, parking charges) the Authority has a well-established record of consultation.	✓
B2 - The authority's priorities and organisational objectives have been agreed (taking into account feedback from consultation).	The Refreshed Joint Business Plan 2019 -2020 was approved by Cabinet on 19th March 2019.	✓
B3 - Priorities and objectives are aligned to principal statutory obligations and relate to available funding.	The Authority's priorities encompass the organisation's statutory obligations and the Business Plan is set based on an understanding of the available resources.	✓
B4 - Objectives are reflected in departmental plans and are clearly matched with associated budgets.	Individual service plans are produced for each service area in line with the actions agreed in the Business Plan, and the budget implications of the actions are considered as part of the budget setting process.	✓
B5 - The Authority's objectives are clearly communicated to staff and to all stakeholders, including partners.	The Authority's objectives are cascaded to all staff via team meetings and are published in the Business Plan. Key objectives for the year ahead are also mentioned as part of the annual staff briefings.	✓

Requirement C – Effective corporate governance arrangements are embedded within the Authority.		
Suggested measure	Evidence	
C1 - Code of corporate governance established.	The Authority adopted a new Code of Corporate Governance in March 2017. The code is based on the revised CIPFA / SOLACE framework document for corporate governance in local authorities.	✓
C2 - Review and monitoring arrangements in place.	Officer and Member consideration of the Annual Governance Statement effectively covers this issue.	✓
C3 - Committee charged with Governance responsibilities.	The Audit & Standards Committee is charged with corporate governance responsibilities.	✓
C4 - Governance training provided to key officers and all members.	All staff have an induction which includes information about Governance eg the Staff Code of Conduct etc. Training is provided as part of the induction process for Members following the Council elections.	✓
C5 - Staff, public and other stakeholder awareness of corporate governance.	The Annual Statement of Accounts is available on the website. The Intranet also provides access for staff and Members to key policies and statements.	✓

Requirement D – Performance management arrangements are in place.		
Suggested measure	Evidence	
D1 - Comprehensive and effective performance management systems operate routinely.	There is a clearly defined performance management framework within the organisation.	✓
D2 - Key performance indicators are established and monitored.	Key performance indicators are established and reported to Cabinet and Overview on a regular basis.	✓
D3 - The authority knows how well it is performing against its planned outcomes.	Performance against all performance indicators and key service objectives are reported to Cabinet on a regular basis.	✓
D4 - Knowledge of absolute and relative performances achieved is used to support decisions that drive improvements in outcomes.	When drawing up service plans previous and relative performance is considered.	✓
D5 - The authority continuously improves its performance management.	<p>The Authority is continuing to develop and improve its performance driven culture.</p> <p>There is a workforce strategy that is consistent across SBDC and CDC.</p> <p>A workforce planning framework was introduced in early 2018.</p>	✓

Appendix 2: Evidence to Support Meeting the Requirement to Identify Principal Risks to Achievement of Objectives (Step 2)

Changes since last year are shown in blue.

<i>Requirement – The Authority has robust systems and processes in place for the identification and management of strategic and operational risk</i>		
Suggested measure	Evidence	
1 - There is a written strategy and policy in place for managing risk.	The Authority has a Risk Management Policy and Risk Management Strategy.	✓
2 - The authority has implemented clear structures and processes for risk management, which are successfully implemented.	An annual report on Risk Management is considered by the Audit & Standards Committee each year. Strategic risks are identified by Senior Officers and considered by both Overview and Cabinet. Key current operational risks are considered by Mgt Team / Heads of Service at their monthly meeting. Operational risks registers are maintained by each service and recorded on Covalent. The major budget / financial risks are identified as part of the annual budget setting process and included in the budget reports to Members.	✓
3 - The authority has developed a corporate approach to the identification and evaluation of risk, which is understood by all staff.	There is a standard approach to risk management throughout the organisation and guidance on this is available to staff and Members on the intranet.	✓
4 - The authority has well defined procedures for recording and reporting risk.	There is a standard approach to risk management throughout the organisation and guidance on this is available to staff and Members on the intranet.	✓
5 - The authority has well established and clear arrangements for financing risk.	Risk financing is of limited relevance to the Authority. However where appropriate insurance cover is obtained to mitigate risks.	✓
6 - The Authority has developed a programme of risk management training for relevant staff.	Staff induction includes appropriate risk awareness training. During the course of the year the risk training has been provided to managers. Risk Management is part of the Middle Managers Development Programme.	✓
7 - The corporate risk management board (or equivalent) adds value to the risk management process.	Key current operational risks are considered by Mgt Team / Heads of Service at their monthly meeting.	✓

Suggested measure	Evidence	
8 - A Corporate risk officer has been appointed with the necessary skills to analyse issues and offer options and advice.	The Authority does not have an officer dedicated to risk management work. Instead risk management is championed by the Director of Resources and risk management work is picked up by other officers on an ad hoc basis, and for senior managers it is part of the core competencies for their roles. Internal Audit annual looks at the operation of risk management as part of the Audit Plan	✓
9 - Managers are accountable for managing their risks.	All risks are allocated to named officers and they are responsible for managing these.	✓
10 - Risk management is embedded throughout the authority.	Risk management is considered to be reasonably well embedded.	✓
11 - Risks in partnership working are fully considered.	Key risks related to significant partnerships or contracts are identified as part of the risk management process.	✓
12 - Where employed, risk management information systems meet users' needs.	The Covalent performance management system includes the risk registers and adequately meets the Council's current requirements.	✓

Appendix 3: Evidence to Support Meeting the Requirement to Identify and Evaluate Key Controls to Manage Principal risks (Step 3)

<i>Requirement – The Authority has a robust system of internal control which includes systems and procedures to mitigate principal risks</i>		
Suggested measure	Evidence	
1 - There are written financial regulations.	The Authority has formal written Financial Procedure Rules.	✓
2 - There are written contract standing orders.	The Authority has formal written Contract Procedure Rules.	✓
3 - There is a whistle blowing policy.	The Authority has a Protected Disclosure Policy (Whistleblowing).	✓
4 - There is a counter fraud and corruption policy.	The Authority has an Anti-Fraud, Bribery and Corruption Policy.	✓
5 - There are codes of conduct in place.	There is a Member code of conduct. There is an employee code of conduct. Articles are occasionally included in Staff News to remind members and officers about these. Dignity at work policy.	✓
6 - A register of interests is maintained.	A register of interests is maintained and regularly updated.	✓
7 - Where a scheme of delegation has been drawn up, it has been approved and communicated to all relevant staff.	Delegated matters are detailed in the Constitution, which is widely available.	✓
8 - A corporate procurement policy has been drawn up, formally approved and communicated to all relevant staff.	A CDC / SBDC Joint Procurement Strategy was agreed in 2014. It is available to staff and members online on the CDC website.	✓
9 - Business / service continuity plans have been drawn up for all critical service areas.	Work continues to ensure that there are robust service recovery plans for all areas, and that these reflect the joint teams and that these plans have been tested.	✓
10 - The corporate / departmental risk registers include expected key controls to manage principal risks.	The annual service plans require internal controls to be listed for all risks.	✓

Suggested measure	Evidence	
11 - Key risk indicators have been drawn up to track the movement of key risk and are regularly monitored.	Key risks are regularly monitored and reviewed and where appropriate these are linked with the corporate performance management arrangements. Strategic risks are assessed pre and post mitigation actions and the post mitigation assessment acts as the target risk.	✓
12 - The authority's internal control framework is subject to regular independent assessment.	Internal Audit regularly reviews the internal control framework.	✓
13 - A corporate Health & Safety Policy has been drawn up.	The Authority has a Health & Safety Policy, which is available on the intranet.	✓
14 - A corporate complaints policy / procedure has been drawn up.	The Authority has a general complaints Procedure. There is also a Member complaint procedure and form on the website.	✓
15 - The Council has policies and procedures in place to ensure compliance with data protection laws.	The Council has a Corporate Information Officer and complies with data protection rules, and FoI requirements. The Authority has an Information Governance Group that maintains an overview of Information Management and its development.	✓
16 - The Council has policies and procedures in place to maintain IT security.	The Council has an Information Security Policy along with various other supporting IT policies (eg username and password policy). It is fully PSN compliant.	✓
17 - The Council has policies and procedures in place to maintain good Information Asset management.	The Council has information asset management policies and procedures, and has a corporate Information Governance Group. Information Governance roles are identified in the organisation and work is in hand to review and update Information Asset Registers and disposal and retention arrangements.	✓

Appendix 4: Annual Governance Statement 2019/20

1) Scope of Responsibility

Chiltern District Council (CDC) is responsible for ensuring that:

- public money is used economically, efficiently and effectively;
- its business is conducted in accordance with the law and proper standards; and
- public money is safeguarded and properly accounted for.

Chiltern District Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Chiltern District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Chiltern District Council has approved and adopted a code of Corporate Governance, which is consistent with the CIPFA / SOLACE *Delivering Good Governance in Local Government Framework 2016*. A copy of the code can be obtained from the Director of Resources. This statement explains how Chiltern District Council has complied with the code and also meets the requirements of the Accounts and Audit Regulations in relation to the publication of an Annual Governance statement.

2) The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, value for money services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Chiltern District Council for the year ended 31 March 2020.

3) The Governance Framework

Chiltern has put in place appropriate management and reporting arrangements to enable it to satisfy itself that its approach to corporate governance is both adequate and effective in practice. Specifically, it has developed and adopted a Code of Corporate Governance and a Risk Management Strategy and the Director of Resources has been given responsibility for:

- overseeing the implementation and monitoring of the operation of the Code and Risk Management Strategy;
- reviewing the operation of the Code and Risk Management Strategy in practice; and
- ensuring that there is an effective internal audit function.

Our internal auditors, have been given the responsibility to review independently the status of the Authority's internal control arrangements and report to the Audit & Standards Committee, to provide assurance on the adequacy and effectiveness of internal control.

The system of internal control is based on a framework of regular management information, financial and contract procedure rules, administrative procedures, management supervision and a system of delegation and accountability. Development and maintenance of the system is undertaken by managers within the Council and is reviewed by internal and external audit. In particular the system includes:

- an overall Business Plan and individual Service plans;
- the appointment of a legal Monitoring Officer;
- codes of conduct and staff performance appraisals;
- information asset and data quality policies and procedures;
- setting targets to measure financial and other performance;
- a performance management framework with regular performance monitoring;
- comprehensive budgeting systems; and
- regular reviews of financial reports which indicate financial performance against the forecasts.

4) Role of the Chief Finance Officer

The Authority fully complies with the CIPFA statement on the Role of the Chief Financial Officer in Local Government, the key principles and requirements of which are summarised below.

The Chief Financial Officer:

- Is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the Authority's strategic objectives sustainably and in the public interest;

- Must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the Authority's financial strategy; and
- Must lead the promotion and delivery by the whole Authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the Chief Financial Officer:

- Must lead and direct a finance function that is resourced to be fit for purpose; and
- Must be professionally qualified and suitably experienced.

5) Review of Effectiveness

Chiltern District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates. As part of the process of compiling the Annual Governance Statement, statements of assurance on the effectiveness of internal control are obtained from Heads of Service.

For 2019/20 this review has been undertaken by the Audit & Standards Committee and included carrying out an assessment of the CDC internal control framework.

We have been advised of the results of the review of the effectiveness of the governance framework by the Audit & Standards Committee.

6) Main Governance Issues

The assessment of material governance issues has to reflect the fact that after the 31 March Chiltern DC will cease to exist. Therefore any governance issues have to reflect the transition to the new unitary Buckinghamshire Council. The following are the main governance issues.

ISSUE	ACTION
In the transition to the Buckinghamshire Council the identification and understanding of the material service risks currently being managed by the Council	Initial risk registers in service plans for the new Council informed by legacy authorities managers. Day one key authority wide risk register in place co-ordinated by the Corporate Risk Manager and agreed by the Corporate Management Team
There needs to be an effective and sufficiently comprehensive scheme of delegations as part of the new Constitutional arrangements for the new Council to ensure any actions are properly authorised and risk of procedural challenge minimised (e.g. Env Health, Planning etc)	The Constitution for the new Council contains provision to put in place all the appropriate delegations, and these are appended to the formal document and made publicly accessible.
The business continuity arrangements for district services moving to new systems (e.g. SAP) and new operational service arrangements and management. Existing business continuity plans in many areas will no longer be effective	Review of business continuity plans, with prioritisation: <ul style="list-style-type: none"> • Services to vulnerable people • Essential organisational infrastructure elements (e.g. ICT)

In addition, as shown in the Council's Statement of Accounts, the Council has estimated its long term pension fund liability in accordance with International Accounting Standard 19 (Employee benefits). The IAS19 requirements do not impact on the Council's financial performance but do ensure that the Council's net Pension Fund liability is recognised in the balance sheet. The net liability as at 31 March 2020 is £XX.Xm but the financial position remains healthy because the liabilities actually arise over a long period and the deficit on the pension fund will be made good through increased contributions into the fund over the remaining working life of employees. The level of contributions required is assessed by the scheme actuary.

From 1 April 2020 the Council's pension fund assets and liabilities will be consolidated with all the other District and County ones into the Buckinghamshire Council pension fund