

<b>MEETING:</b>	<b>AUDIT AND GOVERNANCE COMMITTEE</b>
<b>DATE:</b>	<b>12 NOVEMBER 2012</b>
<b>TITLE OF REPORT:</b>	<b>MONITORING OFFICER'S ANNUAL REPORT 2011/12</b>
<b>REPORT BY:</b>	<b>ASSISTANT DIRECTOR (LAW, GOVERNANCE AND RESILIENCE)</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide.

### **Purpose**

To inform the Committee about the matters within the responsibility of the Monitoring Officer and the Council's performance for 2011-2012 with regard to the complaints under the standards framework.

### **Background**

This report forms the annual report from the Monitoring Officer to the Audit and Governance Committee.

### **Recommendation**

**THAT: The Audit and Governance Committee:**

- (a) notes the content of this report and provides comments and feedback to the Monitoring Officer.

### **Key Points Summary**

- The Monitoring Officer's activities in the period from May 2011 – May 2012 are as follows:
  - \* The restructure of Law Governance and Resilience has progressed.
  - \* Preparations were made for the new standards regime under the Localism Act 2011.
  - \* Work continued on improving the Constitution.
  - \* The work of the Standards Committee continued.
  - \* Hoople completed its first year of trading with the Monitoring Officer acting as observer on the board.

- \* The Monitoring Officer has been closely involved in the governance of such major corporate projects as Hereford Retail Quarter, the Joint Waste PFI with Worcs CE, the Joint Broadband Pilot with Gloucs CE, the LDF Core Strategy and the Enterprise Zone.
- \* No Monitoring Officer reports under the Local Government and Housing Act 1989 were issued in this period.

## **Alternative Options**

- 1 There are no alternative options. This report is for information only.

## **Reasons for Recommendations**

- 2 The Monitoring Officer is required to report on his activities as set out in this report and the Audit and Governance Committee should note the report and provide comments and feedback

## **Introduction and Background**

- 3 The Committee is aware that the role of the Monitoring Officers is a statutory office whose duties are set out in the Local Government and Housing Act 1989 and the Local Government Act 2000.
4. The main responsibilities of the Monitoring Officer are to ensure that the Council, its elected Councillors and its staff act with probity and that all the Council's activities are in accordance with the law and the Council's Constitution. The Monitoring Officer has responsibility for ensuring that the Council avoids findings of maladministration and that it responds appropriately to the Local Government Ombudsman in that regard. The Monitoring Officer is also responsible for supporting the local Standards Committee and for administering the local standards framework. The Monitoring Officer's responsibilities dovetail with those of the other statutory officers; the Head of Paid Service (Chief Executive) and Section 151 Finance Officer (Director of Resources).

## **Key Considerations**

5. The restructure of Law Governance and Resilience was progressed during 2011/12 as follows:
  - Member Services restructure was completed, although some posts were unfilled at the year end. Appointments have since been made but lack of staff placed a strain on the team and it was to their credit that service levels were maintained at an acceptable level.
  - The decision was made to move Registration Services to a commissioning model with delivery in Customer Services. Plans to reorganise and restructure were delayed while discussions took place with the Government Registration Office.
  - Local Land Charges and Elections were formed into a combined team to provide greater resilience. A review of staffing has subsequently been undertaken.
  - Legal Services remained in consultation over the proposed structure. This process has subsequently concluded and appointments to new posts are being made.
  - Resilience Team expanded activities in Health & Safety, Risk Management, Contingency Planning and Emergency Planning. Trading accounts were developed with schools and other parties and all posts were filled. The team received many compliments for its work.

- The Coroners' Office administration was brought in-house.
6. The Localism Act 2011 was passed abolishing the previous standards regime on 30 June 2012. The Standards Committee produced a new process for resolving complaints about members while continuing its work under the previous system under the Local government Act 2001. The Monitoring Officer supported this work, which is summarised as follows:

### **Assessment Sub-committee**

7. 55 complaints were dealt with during the period, and out of these:
- 26 required no further action;
  - 1 was referred to the Monitoring Officer to conduct training for a councillor;
  - 2 were referred to the Monitoring Officer to issue written guidance to all local authority councillors;
  - 5 were referred to the Monitoring Officer for investigation;
  - 18 were referred to Standards for England for investigation; and
  - 3 were withdrawn.

### **Review Sub-Committee**

8. In cases when the Assessment Sub-Committee decides that no further action is required, complainants are entitled to ask for a review of the complaint, which is looked at by an entirely different panel of members. The Review Sub-Committee dealt with 3 cases during the period, re-examined each case from scratch, but in no instance reversed the decision of the Assessment Sub-Committee.

### **Consideration Sub-Committee**

9. The Consideration Sub-Committee looks at investigation reports, and can either decide to hold a hearing, or in cases where the Investigating Officer has not found a breach of the Code, to accept the report and take no further action. The Sub-Committee dealt with 2 cases during the period, and decided that hearings were required in respect of these.

### **Hearing Sub-Committee**

10. One hearing has been held during the period and a breach of the Code was found and sanctions were imposed on the parish councillor concerned.
11. The Constitutional Working Group concluded its brief and this committee assumed the task of reviewing and updating the Constitution. The Monitoring Officer has brought forward proposals which have then been recommended to Council on amendments to the Budget and the Policy Framework Rules and also on the future role of the committee.
12. The new shared services company (renamed Hoople) completed its first year of trading and the Monitoring Officer attended a number of board meetings in the role of observer. The company established its own audit committee and made a number of key senior staff

appointments. The Member Services team continued to provide clerical and administrative support to the Board.

13. The Monitoring Officer has been involved in the governance of key corporate projects, including Edgar Street Grid (the Hereford Retail Quarter), the Waste PFI with Worcs C, the Broadband pilot with Gloucs C, the development of proposals for the Core Strategy of the Local Development Framework and more recently the Hereford Enterprise Zone.
14. The electoral review of all wards has been undertaken by the Boundary Commission and an agreed Council position on Council size was reached. The Governance Team led this process and produced the submission to the Commission on council size which was accepted and adopted. At the same time, submissions have been made to the Electoral Commission on proposals for new parliamentary boundaries.

## **Community Impact**

15. Compliance with its legal obligations, effective governance and high standards of conduct impact on the council's relationship with and its ability to lead the communities of Herefordshire. In addition, the Monitoring Officer has responsibility (working with Herefordshire Association of Local Councils) for standards in Parish Councils and for the operation of the standards framework and Code of Conduct for parish councillors. Parish Councils are also important to the communities they serve. The activities of the Monitoring Officer have the potential to have a positive impact on communities.

## **Financial Implications**

16. There is limited funding for Monitoring Officer activities. The Legal and Governance teams support the Monitoring Officer in fulfilling his functions and have made a significant contribution to the activities set out in this report and ensuring legal compliance and good governance across the Council (and its wider HPS partnership). It is important that they be adequately resourced.

## **Legal Implications**

17. The proper discharge of the Monitoring Officer functions is critical to ensuring that the Council is acting lawfully. The legal implications of its activities must be fully understood and timely advice sought. The legal implications section of reports be written or approved by lawyers.

## **Risk Management**

18. The Resilience Team Manager reports to the Monitoring officer and is responsible for ensuring effective risk management systems and processes are in place across the Council, that those systems and processes are being complied with and that risk registers and risk management reporting and monitoring is taking place at all levels as required with significant corporate and strategic risks being escalated to senior management and elected members as appropriate.

## **Consultees**

19. Corporate Leadership Team

## **Appendices and Background Papers**

20. None identified.