

## **Standards Advisory Committee – Meeting held on Tuesday, 17th March, 2015.**

**Present:-** Councillors M Holledge (Chair), Matloob (Vice-Chair), Dhaliwal, Dhillon, Sandhu and Usmani.

**Co-Opted Independent Members:-**  
Graham Davies and Alan Sunderland.

**Parish Council Member:-**  
Parish Councillor Gahir

**Apologies for Absence:-** Councillor Bryant (Colnbrook Parish Council)  
Dr Louis Lee (Independent Person)  
Ronald Roberts (Co-Opted Independent Member)

### **PART 1**

#### **10. Declarations of Interest**

None were declared.

#### **11. Minutes of the last meeting held on 18th June 2014**

**Resolved** – That the minutes of the meeting of the Committee held on 18<sup>th</sup> June 2014 be approved as a correct record.

#### **12. Membership**

The Committee were advised that Dr Louis Lee and Mr Graham Davies had been appointed in September 2014 as the Council's Independent Person and Independent Co-Opted Member respectively. Whilst not a formal member of the Standards Advisory Committee, Dr Lee would attend meetings in an observer capacity.

#### **13. Proposal to Merge Audit and Risk and Standards Advisory Committee**

The Monitoring Officer outlined the report and the reasons for proposing a merger of the Audit and Risk and Standards Advisory Committee. Following changes implemented under the Localism Act 2011, the role of the Committee had reduced significantly, particularly as the Monitoring Officer now had delegated authority to seek to resolve a complaint informally or in consultation with the Council's Independent Person. This change had therefore removed the need for an Assessment Sub-Committee to meet. It was noted that the Committee met twice in 2013/14 with two meetings cancelled due to insufficient business.

Members were advised that there were similarities and synergies between the committees as they both dealt with governance, probity and transparency of processes. Combining the roles of the two committees would both enable the Council to benefit from skills and input of independent people across a

broader area of responsibility and provide a more stimulating role for independent people, which, in tune, would assist with retention.

The newly merged Audit and Corporate Governance Committee would have the objective of making a positive contribution to the Council's governance and control environment. Whilst recognising the benefits of merging the two committees there was no wish to put additional pressure on the Committee's work on risk management framework and its scrutiny of the authority's financial and non financial performance. It was therefore proposed that a Standards and Determination Sub Committee also be established to determine allegations of breaches of the Members' Code of Conduct, on a reference from the Monitoring Officer and to undertake any detailed work necessary on the Code of Conduct, making recommendations to the Committee as necessary. The proposed membership/ terms of reference and operating guidance for the Sub Committee were outlined for Members consideration.

A number of issues were raised in the ensuing discussion, including the proposed number of elected members appointed to the newly formed committee and membership of the Determination Sub-Committee. A Member proposed that elected members on the merged committee be increased from six to seven members to allow a greater degree of flexibility with regards to quorum.

A Member queried the allocation procedure for membership of the Determination Sub-Committee. Officers explained that the Sub-Committee would be convened as and when necessary from the membership of the Audit and Corporate Governance Committee and therefore would not have a fixed membership. Members were appointed to the Sub-Committee on a random basis to ensure there was no political bias in consideration of issues. A number of Members stated that membership of the Sub-Committee should be drawn on a politically proportionate basis. It was explained that although this was feasible there would be occasions where the Sub-Committee would comprise of members from the same political party given that there would be one opposition member appointed to the main committee. It was agreed that the three elected members would be drawn on a politically proportionate basis, wherever possible. If an opposition Member was not available, the three Members would be appointed from the same political party.

Clarification was sought relating to the role of Parish Councillors on the proposed new committee. The Monitoring Officer informed the Committee that one member from each of the three Parish Councils in the Borough would be invited to attend and speak at the Committee, if it was considering matters relating to the Code of Conduct. Furthermore, the composition of the Sub-Committee would increase to include a parish member when considering an issue or report relating to a Parish Council Member.

It was noted that the frequency of meetings would remain at four scheduled meetings per municipal year and that the necessary training would be provided to both elected Members and Independent Co-Opted Members to enable them to fulfil their roles with regards to scrutiny of audit reports.

### **Recommendations to Council**

- (a) That the Standards Advisory Committee be disbanded and its terms of reference subsumed into the terms of reference of the Audit and Risk Committee with effect from the Annual Council meeting in May 2015.
- (b) That the Audit and Risk Committee be renamed the "Audit and Corporate Governance Committee".
- (c) That Article 9 of the Constitution (Standards Advisory Committee be deleted and subsequent Articles re-numbered).
- (d) That existing Article 10 (Audit and Risk Committee) be amended as shown in Appendix 1 and the terms of reference and working arrangements of the Committee therein be approved.
- (e) That the membership of the Audit and Corporate Governance Committee comprise\*:

Seven councillors (politically balanced) (not the Leader, Mayor or Deputy Mayor, Chairs and Vice Chairs of Planning and Licensing Committee and Group Leaders\*)

Up to four co-opted (non-voting) independent members

The Council's Independent Person (as an observer).

\* executive members limited to one

\*one Member from each of the three Parish Councils in the Borough to be invited to attend and speak at the Committee if it is considering a report relating to changes to the Code of Conduct

- (f) That the existing independent members on the Audit and Risk and Standards Advisory Committees be appointed to the ACGC for the 2015/16 municipal year as follows

Mr G Davies

Mr R Roberts

Mr A Sunderland

Mr A Kwatra

- (g) That a Standards and Determination Sub Committee be appointed by the Committee with membership, terms of reference and operating procedures as set out in Appendix A.
- (h) That the Head of Democratic Services make any consequential administrative amendments to the Constitution.

### ARTICLE 10 – AUDIT AND CORPORATE GOVERNANCE COMMITTEE

The Council will appoint an Audit and Corporate Governance Committee

#### 1. Statement of Purpose

The purpose of this Committee is to

- promote and maintain high standards of conduct by Members
- provide independent assurance of the adequacy of the risk management framework and the associated control environment
- independently scrutinise the authority's financial and non-financial performance, to the extent that it affects the authority's exposure to risk and weakens the control environment and to oversee the financial reporting process
- approve the financial statements
- approve the Annual Governance Statement.

#### Terms of Reference

#### 2. Within the Terms of Reference of the Committee it will be

- the member forum for external audit matters, approving the financial statements on behalf of the full Council
- the member forum for ethical framework matters
- the member forum for internal audit matters
- a key element of the internal control framework for the Council and take responsibility for the approval of the Annual Governance Statement on behalf of the full Council
- be the member forum for risk management matters
- be the member forum for corporate governance matters.

#### Membership

#### 3 The Committee is subject to the provisions of the Local Government Access to Information Act 1985.

#### 4 The Committee will comprise\*:

Seven councillors (politically balanced) (not the Leader, Mayor and Deputy Mayor, Chairs and Vice Chairs of Planning and Licensing Committee and Group Leaders\*)  
Up to four co-opted (non-voting) independent members from outside the Council with suitable experience

The Council's Independent Person (as an observer).

\* executive members limited to one

\* one Member from each of the three Parish Councils in the Borough to be invited to attend and speak at the Committee if it is considering a report relating to material changes to the Code of Conduct

In order to promote the independence of the Committee there should be limited cross membership between Overview and Scrutiny Committee and the Audit and Corporate Governance Committee limited to a maximum of 2 members. Also Cabinet membership of the Committee is limited to one member.

The Chair of the Committee will be an elected Member of the Council

## Working Arrangements

- 5 That Committee will meet four or more times per year.
- 6 The quorum of the Committee shall be a minimum of three voting members of the committee.
- 7 The Committee will be subject to the statutory access to information provisions. The press and public may be excluded and papers withheld from access only if they meet statutory definitions of exempt or confidential information.
- 8 All Members of the Council and members of the press and public can attend the Committee when it is discussing business in Part I of the agenda. When the Committee is discussing exempt or confidential information (Part II) only Members of the Committee and Members of the Council (with the consent of the Committee given by majority resolution) can attend.
- 9 The Committee will appoint a Standards and Determination Sub Committee to
  - determine complaints following an investigation; and
  - give detailed consideration to revisions to the Code of Conduct as necessary for recommendation to the Committee.
- 10 The Committee and its Sub-Committee may require Members of the Council and Officers of the Authority to attend before it to answer questions.
- 11 The Committee and its Sub-Committee may require the production of any document or record in the possession of the Council to be submitted to it, unless to do so would involve a breach of data protection or other statutory provisions.
- 12 The Committee may require the Monitoring Officer or his/her nominee to investigate on its behalf allegations of impropriety referred to the Committee.

## Specific Functions

The Committee's specific functions shall include but not be limited to

- 13 External Audit
  - To consider the external audit report to those charged with governance on issues arising from the audit of the accounts, and ensure that appropriate action is taken in relation to the issues raised
  - To consider the external auditor's annual letter and ensure that appropriate action is taken in relation to the issues raised
  - To consider and comment on any plans of the external auditors
  - To comment on the scope and depth of the external audit work and to ensure it gives value for money
  - To consider any other reports by the external auditors
  - To liaise with the appointed body over the appointment of the Council's external auditor

## 14 Internal Audit

- To consider the Chief Internal Auditor's annual audit opinion and the level of assurance given over the Councils corporate governance, risk management and control arrangements
- To consider regular reports, including statistics, abstracts and performance of the work of internal audit as presented by the Chief Internal Auditor
- To consider and approve the annual Internal Audit plan ensuring that there is sufficient and appropriate coverage
- To consider reports from Internal Audit on agreed recommendations not implemented in accordance within the agreed timescale
- To contribute to the annual audit plan
- To comment on the scope and depth of the internal audit work and to ensure it gives value for money
- To consider any other reports the Chief Internal Auditor may make to the Committee.

## 15 Internal Control

- To approve the adoption of the Annual Governance Statement to the Council
- To ensure that an appropriate action is taken with respect the issues raised in the Annual Governance Statement.

## 16 Risk Management

- To approve the risk management strategy and review the effectiveness of risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements and seek assurances that action is being taken on risk related issues
- To ensure that assurance statements, including the Annual Governance Statement properly reflect the risk environment
- To review the Council's risk register

## 17 Governance

- To consider the arrangements for corporate governance and to make appropriate recommendations to ensure corporate governance meets appropriate standards
- To consider the Council's compliance with its own and other published standards and controls
- To review any issues of governance referred to the Committee by internal or external audit
- To take ownership of the Protocol on referring Matters to the External Auditor
- To review the Anti-Fraud and Corruption policy

### Standards and Ethical Framework

- (a) To promote and maintain high standards of conduct by Members, (i.e. Elected and Co-opted).
- (b) To assist Members to observe the Council's Ethical Framework including the Code of Conduct.

- (c) To advise the Council on the adoption or revision of the Council's Ethical Framework including the Code of Conduct.
- (d) To monitor the operation of the Council's Ethical Framework including the Code of Conduct.
- (e) To advise, train or arrange to train Members on matters relating to the Council's Ethical Framework including the Code of Conduct.
- (f) To determine written complaints made against a Member (including a Parish Council Member) alleging a breach of the Code of Conduct and taking any action that is deemed appropriate and permitted under the Localism Act 2011 and Regulations thereunder.
- (g) To exercise of (a) to (f) above in relation to the Parish Councils wholly or mainly in its area and the Members of those Parish Councils.
- (h) To keep under review and make recommendations to the Council on the Whistle-Blowing Policy and Procedure.
- (i) To put in place and keep under review arrangements for monitoring Members' performance.
- (j) To receive and consider reports on individual Members' performance.
- (k) To decide any requests from a Member or Officer for indemnity as set out in the Council's adopted Policy on Terms of Indemnity.

18 Other

- (a) To liaise with the Overview and Scrutiny Committee to ensure that the work of the two committees is complementary.
- (b) To promote effective relationships between external audit, internal audit, inspection agencies and other relevant bodies to ensure that the value of the audit and inspection processes are enhanced and actively promoted.
- (c) To consider financial and non-financial performance issues to the extent that this impacts upon financial management and governance.
- (d) The Committee shall, in conjunction with the Monitoring Officer and Chief Finance Officer, produce an Annual Review of work completed and proposed and report on an exception basis through the Performance Report for Cabinet.

19 The terms of reference of the Committee shall be reviewed annually.

## Determination Sub-Committee

### 1. Terms of Reference

The Sub-Committee is established to

- determine complaints following an investigation.
- give detailed consideration to revisions to the Code of Conduct as necessary for recommendation to the Committee.

### 2. Following a hearing the Sub-Committee will make one of the following findings:

- (a) That the Member who was the subject of the hearing had not failed to comply with the Code of Conduct of the relevant Authority concerned;
- (b) That the Member who was the subject of the hearing had failed to comply with the Code of Conduct of the relevant Authority concerned, but that no action needs to be taken in respect of the matters which were considered at the hearing; or
- (c) That the Member who was the subject of the hearing had failed to comply with the Code of Conduct of the relevant Authority concerned and that a sanction should be imposed.

### 3. If the Sub-Committee makes a finding under paragraph 2(c) in respect of a person who is no longer a Member of any authority that the Committee has responsibility for it shall censure that person.

### 4. If the Sub-Committee makes a finding under paragraph 2(c) in respect of a person who is a serving Member of any authority that the Committee has responsibility for, it shall impose any of, or a combination of, the following sanctions:

- (a) censure of that Member
- (b) restriction for a period not exceeding six months of that Member's access to the premises of the relevant Authority or the resources of the relevant Authority provided that those restrictions:
  - i. are reasonable and proportionate to the nature of the breach;
  - ii. do not unduly restrict the person's ability to perform the functions of a Member.
- (c) that the Member submits a written apology in a form specified by the Sub-Committee;
- (d) that the Member undertakes such training as the Sub-Committee specifies;
- (e) that the Member participate in such conciliation as the Sub-Committee specifies.

### 5. Appointment and Composition of the Sub-Committee

- (a) The Sub Committee will be convened as necessary from the membership of the Audit and Corporate Governance Committee. The Sub-Committee will therefore not have a fixed membership.
- (b) The Sub-Committee shall comprise five Members, of whom a maximum of three shall be elected members **drawn on a politically proportionate basis, wherever possible. If an opposition Member is not available, the three Members will be appointed from the same political party.** No more than two should be Co-Opted Independent Members of the Audit and Corporate Governance Committee.



- (c) The Sub-Committee shall elect a Chair at each hearing/meeting. The Chair will be an elected Councillor.
- (d) The appointment and composition of the Sub-Committee shall increase to include a Parish Member (observer) of the Audit and Corporate Governance Committee where the Sub-Committee is considering a report or recommendations that relate to a Parish Council Member.

## **6 Quorum**

The quorum for a meeting of the Sub-Committee shall be three Members, two of whom must be elected Members and at least one Independent Member. When considering a matter relating to the conduct of a Member as Parish Councillor at least one Parish Council representative shall also be present.

## **7 Frequency of Meetings**

The Sub-Committee shall meet as and when required to enable it to undertake its functions.

**14. Schedule of Activity - Code of Conduct**

The Committee were provided with an update on the activity undertaken by the Council's Monitoring Officer in relation to complaints received under the Code of Conduct. During the period June 2014 to date, one complaint had been received and related to a Borough Councillor. Members were informed that the complaint had been referred for investigation and that the Monitoring Officer had appointed an external investigator to deal with the matter. Dependent on the findings of the report, a meeting of the Standards Determination Sub-Committee would be called to determine the matter, if required.

A Member questioned when the investigation was likely to be completed and whether it was likely to be finalised prior to the forthcoming local elections. The Monitoring Officer informed the Committee that it was anticipated that the investigation would take between six to eight weeks and the election timetable was not factor as to when the investigation would be completed or determination Sub-Committee held, if required.

**Resolved** – That the report be noted.

**15. Members Attendance Record**

**Resolved** – That details of the Attendance Record be noted.

**16. Vote of Thanks**

Members placed on record their appreciation to both the Co-Opted Independent Members and Officers for their contribution and advice to the Committee during the municipal year.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 7.27 pm)