
STANDARDS AND ETHICS COMMITTEE

Annual Report 2005/06



County Council of The City and County of Cardiff

CHAIR'S FOREWORD

This is the second Annual Report of the Standards and Ethics Committee, which was established in October 2000, with the statutory function of promoting high standards of conduct by the Council's Elected Members. The publication of an Annual Report was recommended by the Corporate Governance Commission in order to strengthen the role of the Committee, and to enable it to become more proactive in the work of the Council. This report therefore aims to provide Members and staff of the Council, as well as members of the public with an insight into the role and work of the Committee.

The Committee is committed to its role of raising standards to promote confidence in democracy within the Authority's boundaries. It aims to build on its achievements and training and to focus on improving standards in line with the recommendations of the Corporate Governance Commission.

As well as outlining the work and purpose of the Committee, this report details its agreed values and goals, together with priorities for the coming year. The Committee has a desire to move away from its previous "reactive" way of working, as it considers its role, to date, has been somewhat removed from the main activities of the Council and its communities. The Committee has started to develop a more proactive role to enable it to influence the Council positively, provide a resource to Members of the Authority and help promote good corporate governance. In doing so, the Committee has been calling for full reports on relevant issues, together with advice, to inform its deliberations.

The Committee intends to achieve its enhanced engagement with the Council by establishing programmes for training and by communicating its work, as set out later in this report.

The Committee believes that it is at a crucial stage in its development. Standards committees are a relatively new development nationally, and the Committee over the last four years has done a considerable amount of groundwork to enable the Committee to progress its role. New legislation on Codes of Conduct is anticipated from the National Assembly for Wales that will significantly impact on the work of the Committee. The Committee has experienced some frustration with the failure to publish a new Code of Conduct in a timely way. The existing Code is unnecessarily complex and amendments are long overdue. Therefore, the Committee recognises that further actions and deliberations will be required over the coming months to realise its ambition to be more proactive in its monitoring and supporting the role of the Council, its Members and good Corporate Governance. Whilst the Committee has in previous years considered various issues relating to misconduct, such issues have not been the focus of its work during the past two years. The Committee feels that this is a positive reflection on the commitment to good corporate governance shown by the Authority and its Members.

I would like to thank the Committee for its dedication, hard work and commitment over the past year, as the term of most independent Members comes to an end. I would also like to thank the Officers for all the support and advice they have given the Committee. I am sure the new independent Members of the Committee will carry on the good work.

I believe that the Committee now has the opportunity to build on the foundations we have established over the past year and to move towards new ways of working that enhance our ability to engage with the Council, to promote and maintain high standards of conduct by those who serve within it, and to promote confidence in local democracy in Cardiff.

Chair

Date

STANDARDS AND ETHICS COMMITTEE MEMBERSHIP

Chairperson



The Most Reverend Dr Barry Morgan (The Archbishop of Wales/The Bishop of Llandaff)



David Hughes



Ian Shopland (stood down
Nov 2005)



Elaine Moore

Community Councillor



Patricia Jenkins



Akmal Hanuk
Joined in Nov 2005



David Suthers

Council Members



Councillor Brian Griffiths



Councillor Jim James



Councillor Greg Owens

ATTENDANCE AND RECORD OF MEETINGS

The Committee has an agreed schedule of meetings with additional ad hoc meetings arranged as required.

During 2005/06 the Committee met on the following occasions:-

6 June 2005; 21 June 2005; 26 July 2005; 14 September 2005; 21 November 2005; 12 January 2006; 14 March 2006; 25 April 2006; 2 May 2006

MEMBER	ATTENDANCE	
	POSSIBLE	ACTUAL
The Most Reverend Dr Barry Morgan (The Archbishop of Wales and Bishop of Llandaff (Chair))	9	8
David Hughes	9	9
Ian Shopland	5	4
Elaine Moore	9	8
Patricia Jenkins	9	2
Akmal Hanuk	5	4
Community Councillor David Suthers	9	7
County Councillor Brian Griffiths	9	5
County Councillor Jim James	9	9
County Councillor Greg Owens	9	6

BACKGROUND

The Council is required under the Local Government Act 2000 to establish a Standards Committee with the functions conferred on it under Part III of that Act.

The Standards and Ethics Committee was established on 19 October 2000 in accordance with Decision of Council of 17 June 1999.

Functions

The Local Government Act 2000 provides that the functions of a standards committee are:

- (a) promoting and maintaining high standards of conduct by the members and co-opted members of the authority
- (b) assisting members and co-opted members of the authority to observe the authority's code of conduct
- (c) advising the authority on the adoption or revision of a code of conduct
- (d) monitoring the operation of the authority's code of conduct
- (e) advising, training or arranging to train members and co-opted members of the authority on matters relating to the authority's code of conduct

Terms of Reference

The Council at its meeting on 18 May 2006 confirmed the Committee's Terms of Reference as follows:

- (a) To monitor and scrutinise the ethical standards of the Authority, its Members, employees and any associated providers of the Authority's services and to

report to the Council on any matters of concern.

- (b) To advise the Council on the content of its Ethical Code and to update the Code as appropriate.
- (c) To advise the Council on the effective implementation of the Code including such matters as the training of Members and employees on the Code's application.
- (d) To consider and determine the outcome of complaints that Councillors and co-opted members have acted in breach of the Code in accordance with procedures agreed by the Standards Committee, including the imposition of any penalties available to the Committee.
- (e) To oversee and monitor the Council's Whistleblowing procedures and to consider ethical issues arising from complaints under the procedure and other complaints.
- (f) To grant or refuse requests for dispensations in respect of Members' interests under the Members' Code of Conduct in accordance with the relevant statutory provisions.
- (g) To consider whether individuals should be determined as vexatious or persistent complainants under relevant statutory procedures.
- (h) To recommend to Council and the Cabinet any additional guidance on issues of probity.
- (i) To hear and determine any complaints of misconduct by Members or a report of the Monitoring Officer, whether on reference from the Ombudsman or otherwise.
- (j) To recommend the provision to the Monitoring Officer of such resources as he/she may require for the performance of his/her duties.

Composition

The Standards Committees (Wales) Regulations 2001 made by the National Assembly for Wales under the provisions of the Local Government Act 2000) makes provisions for the size and composition of standards committees in Wales, (new Regulations amending the 2001 Regulations are due to be issued by the National Assembly shortly).

The Council's Constitution (paragraph 9.2, amended to reflect the provisions of the 2001 Regulations), makes the following provision with regard to the composition of the Committee and terms of office:

a. Membership

The Standards & Ethics Committee will be composed of nine members. Its membership will include:

- (i) Five 'Independent' Members who are not either a Councillor or an employee or the spouse of a Councillor or an employee of the Authority or any other relevant authority as defined by the Act, appointed in accordance with the procedure set out in the Standards & Ethics Committees (Wales) Regulations 2001;
- (ii) Three Councillors (who shall not include the Leader and shall include not more than one member of the Executive), one from each of the political groups represented on the Authority;
- (iii) One member of a Community Council wholly or mainly in the Council's area (a 'community committee member')

b. The Term of Office

- (i) Independent Members shall be appointed for a period of not less than four years and no more than six years, such period to be determined by the Council upon their appointment and may not be re-appointed.
- (ii) Members of a local authority who are members of the Standards & Ethics Committee will have a term of office of no more than four years or until the next ordinary local government election following their appointment, whichever is the shorter. They may be re-appointed for one consecutive term on one occasion only.

The term of office of the Community Council Committee Member is not specified in the 2001 Regulations, but the draft new Regulations indicate that this is to be the same as Members of the Local Authority i.e. 4 years.

Membership

The Committee currently has 9 Members as identified earlier in this report. This is the maximum number permitted under the Standards Committees (Wales) Regulations 2001.

Under the terms of the 2001 Regulations, the terms of office of all of the original independent Members will expire on 27 July 2006.

In order to overcome the problem of all independent Members leaving at the same time, the Committee determined in June 2005 that the recruitment process should commence early to ensure there was ample opportunity for a staggered handover to the new independent

Members. Information packs were sent out to prospective candidates, and they were invited to attend a Committee meeting in July 2005, prior to submitting their application.

Four out of five posts were filled in August 2005 following a rigorous recruitment and selection procedure which followed equal opportunity guidelines and which took into account comments made by Councillors at the presentation of the Committee's first annual report in May 2005 that independent Members should reflect, more consistently, the diversity of Cardiff's population.

The Committee agreed that in the interests of ensuring a seamless transition, the new independent members would be invited from the end of 2005 to observe proceedings of the Committee as a 'shadow' Committee, pending their appointment to the Committee in July 2006. (The new Regulations proposed by the National Assembly will allow for independent members to be reappointed for a further term, but regrettably, this change has been proposed too late for the Council to be able to take advantage of this.)

The new independent Members who sat as Shadow Members of the Committee are:-

Maureen Hedley-Clarke, Anne Morgan and Paul Stockton

Since November 2005, Akmal Hanuk has been a full Member of the Committee, replacing Ian Shopland who stood down, and the other three appointees have attended meetings regularly as observers.

The recruitment process has recently been repeated to fill the remaining vacancy on the Committee for an independent Member and the appointment is due to be made by Council at its meeting on 22 June 2006.

Servicing and Support for the Committee

The Monitoring Officer or a representative of the Monitoring Officer is required to attend and provide appropriate advice to every meeting of the Standards and Ethics Committee. In addition to the Monitoring Officer, the Committee has agreed to invite, as appropriate, the other Statutory Officers of the Council – the Head of Paid Service and the 'Section 151 Officer' (statutorily responsible for the financial prudence of the authority).

Kate Berry, Monitoring Officer joined the Authority in 2005 and has been advising the Committee since June 2005. Kumi Ariyadasa, Solicitor and Val Davies, Committee Administrator also service the Committee.

THE WORK OF THE COMMITTEE: 2005/2006

The Committee's work has included:

- Re-considering the report and recommendations of the Corporate Governance Commission established by the Council; reviewing progress on the Council's response to the report and recommendations of the Corporate Governance Commission by the Council on two occasions; and following this up with a meeting with the Party Whips. This was very successful and will be continued in the future.
- Having been actively involved in the introduction of the Council's Code of Conduct and Whistle Blowing Policy in previous years, this year the Committee has instigated a thorough review of the use of the Whistle Blowing Policy.
- Conducting an Ethical Standards Audit of the Council by means of a review of the relevant policies and procedures in place, and questionnaire surveys issued to Members, Officers, Partner Organisations and the general public.
- Considering applications for dispensations from Council Members and Community Councillors, including numerous applications from Members in respect of their personal interests in schools in Cardiff, and memberships of various other bodies. Dispensations granted are shown in the Register of Dispensations posted on the Cardiff County Council's Intranet and Internet website.
- Asking the Monitoring Officer to offer briefing sessions to Community Councillors and their Clerks. The Monitoring Officer has attended 2 Community Council meetings.
- No issues of misconduct were considered in the current year, which makes two years running without misconduct allegations, although the Committee has considered a formal decision of the Ombudsman regarding a former County Councillor.
- Considering and responding to Welsh Assembly Government consultations on the new Code of Conduct for Members, and the new Standards Committees' Regulations.
- Meeting with and receiving presentations from the Council's Internal Audit Section and Independent Audit Panel on the Council's audit arrangements.
- Receiving various other presentations, including on the role of the Monitoring Officer, the Council's decision-making procedures and the Council's new Internet site.
- Independent members of the Committee have committed additional time to attending various Council meetings and committees, including full Council; Constitution Committee; Policy Review and Performance Scrutiny Committee and Planning Committee.
- Considering and making arrangements for the recruitment, selection and appointment of new Independent Committee members.
- Further consideration and a recommendation to Council regarding Council representation on an outside body (Welsh Local Government Association). This matter was addressed at the Annual Council when it appointed its membership to outside bodies.
- Received and discussed issues arising out of the cancellation of the Council meeting in November 2005.

- Considering the Ombudsman for Wales Annual Report 2004/05.
- Agreed a Work Plan and priorities (attached as Appendix 1)

POLICY DEVELOPMENT 2005/06

During 2005/06, the Committee has been actively involved in Policy Development including the Change Programme Audit.

The Foundation Conference on 24 January 2005 which followed from the Corporate Governance Commission and on which the Standards and Ethics Committee was represented, proposed a number of actions relevant to Standards and Ethics, which included:

- Members should attend training on Standards and Ethics;
- The Standards and Ethics Committee should submit an annual report to Council;
- The Standards and Ethics Committee identify actions to make the Cardiff Undertaking and the Council's Code of Conduct 'live and breathe';
- Standards and Ethics principles to be included in induction and training;

The Committee this year determined:

- Members' training on standards and ethics issues should await the revised Regulations from WAG which are due to be issued in Autumn 2006;
- Standards and Ethics principles should be woven into Council documents and policies; and
- Opportunities should be facilitated to enable the Standards and Ethics Committee to engage with the Council on a more proactive basis.

These matters are being pursued as part of the Committee's work programme.

TRAINING & DEVELOPMENT 2005/06

- Induction Programme for New Independent Committee Members, involving briefing sessions with the Monitoring Officer and Chief Executive, and attending Committee meetings as shadow Committee members.
- Training for Existing Committee Members on the wider Council functions, such as the role of the Monitoring Officer, the Council's internal audit arrangements and its decision-making procedures.
- Member Training – deferred until the new Regulations on the Code of Conduct for Members emerges from the Welsh Assembly Government, but with a commitment and expectation that all Members will receive such training.
- Community Council Clerks – briefing sessions have been offered to Community Councillors and Clerks, but with limited feedback. This will be pursued next year.

RECOMMENDED FUTURE PRIORITIES

The Committee has developed its future priorities which will drive its work programme for the coming year. These priorities include:

- Any outstanding matters from 2005/06 including Developing work with Community Councillors; Annual review of existing protocols; A Code for the Future; Whistleblowing Policy; Ethical Standards Audit (nearing completion); and the role of use of the Media.
- Council position on Corporate Governance Issues
- Review of Ombudsman's Annual Report
- Continue a more interactive approach by meeting with Council and Community Council Members, and attending meetings of the Council's Committees, including Scrutiny Committees and the Executive
- Promote the Committee's role to the citizens of Cardiff and its engagement with Council matters
- Continue to be actively involved in Policy Development
- To develop, encourage and promote the highest standards of Conduct
- To continue the proactive role of monitoring and scrutinising the ethical standards of the Council, its Members and employees
- To consider mechanisms for monitoring conduct and standards at a general level outside any specific referral
- To develop a communication programme to publicise the activities of the Committee via a range of methods, including an article in the Capital Times and the development of a page on the Council's internet site
- Any other matters that are referred to it by the Ombudsman, Monitoring Officer and the Council

Background Papers:

Past Agendas

Corporate Governance Commission (Report of Monitoring Officer dated 26 April 2004)

Corporate Governance Report and Recommendations

Minutes of Standards and Ethics Committee

Local Government Ombudsman for Wales Annual Report 2004/05

Standards and Ethics Committee Presentation to Council