

Runnymede Borough Council

STANDARDS AND AUDIT COMMITTEE

16 September 2003 at 7.30 p.m.

Members of the Committee present: Councillors E.G. Barrett, A.J. Davis, Ms C.M. Simmons, A.P. Tollett; and Dr. R.F. Miller

Members of the Committee absent: Councillor Mrs E.E. Price and Mrs C. Spurling (independent Member)

306. ELECTION OF CHAIRMAN

RESOLVED that –

Councillor Ms C. Simmons be Chairman of the Committee for the Municipal Year 2003/2004.

(Councillor Ms Simmons in the Chair).

307. ELECTION OF VICE-CHAIRMAN

RESOLVED that –

Councillor A.P. Tollett be Vice-Chairman of the Committee for the Municipal Year 2003/2004.

308. MINUTES

The Minutes of the meeting of the Committee held on 26 March 2003 were confirmed and signed as a correct record.

309. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Mrs E.E. Price.

310. TRAINING NEEDS OF MEMBERS

(Ref: Minutes of Standards Committee 26 March 2003, page 1075, para. 624)

The Committee agreed the value of the previous training sessions held to explain the Code of Conduct for Members, and agreed that another session should be held for new Members and others who might wish to attend. The Committee then watched a new training video issued by The Standards Board for England. Whilst this video was aimed primarily at Town and Parish Councils the Committee was united in agreeing that it would form a useful component of the proposed training.

Members also agreed that the Committee itself would benefit from specific training covering the role of the Standards and Audit Committee. It was felt that all Members of the Council should also be invited to attend, since it was in the interest of all Members to be aware of the Committee's role and responsibilities. Both training sessions would be held in October.

The Committee also asked that when Members were asked to update their registration of interests annually, they be sent a copy of their existing registered interests.

Members of the Committee had also received details of training courses run by an external provider.

RESOLVED that –

i) all Members of the Council be invited to attend a training presentation on the Code of Conduct for Members in October 2003; and

- ii) all Members of the Council be invited to attend a training presentation on the Role of the Standards and Audit Committee in October 2003.**

311. INTERNAL AUDIT – REVIEW OF SERVICE PERFORMANCE

The Committee received a comprehensive report which not only explained the role of Internal Audit and assessed its performance against its 2002/2003 targets, but also reviewed the plan for 2003/2004. Members were advised that these reports had previously been submitted to the Corporate Management Committee, but in future would be reported to this Committee.

Members noted the statutory foundation of the Internal Audit function and the good practice requirements promulgated by the Accounts and Audit Regulations 2003. These Regulations required "proper internal audit practices", and were fleshed out in two documents; (i) the CIPFA Code of Practice, and (ii) Standards for the Professional Practice and Internal Audit (produced by the Institute of Internal Auditors). Among the requirements of the CIPFA Code was the establishment of "Terms of Reference of Internal Audit". Proposed Terms were approved by the Committee and are set out in Appendix 'A'.

The Committee then examined Internal Audit's coverage and performance for 2002/2003, noting the reasons for divergence between the plan and actual results. Members noted that over 90% of the recommendations made by Internal Audit were accepted, and most were implemented within the agreed timetable. The Committee then reviewed the 2003/2004 Internal Audit Plan, and noted that a plan for 2004/2005 would be submitted to the next meeting of the Committee. Members were sympathetic to the shortfalls and dislocations caused by long-term sickness and a vacancy in the section, and noted that some external provision had been brought in to alleviate the worst of the problems. The Committee was gratified to learn that the vacant post had been filled and the postholder had commenced duties on 15 September.

Finally, the Committee thanked the Director of Finance and the Chief Internal Auditor for a helpful and informative report.

RESOLVED that –

- i) the Internal Audit's Terms of Reference (Appendix 'A') be approved; and**
- ii) the comprehensive report submitted by the Director of Finance be approved.**

312. INDEPENDENT MEMBERS – TERM OF OFFICE

The Committee agreed with a recommendation that independent Members of the Committee should hold office for four years. This was consistent with the four year term of office enjoyed by elected Members (before re-election was required). It was agreed that there should be no bar on the independent Members seeking a further term of office (subject to due process) if they so wished.

RECOMMEND that –

the term of office of independent Members of the Standards and Audit Committee be four years.

313. STANDARDS BOARD FOR ENGLAND CASE REVIEW

The Committee noted a number of illustrative case studies taken from a guidance book issued by the Standards Board.

314. COMPLAINTS RECEIVED – CODE OF CONDUCT

The Committee was gratified to note that no complaints had been received against any Member of Runnymede Borough Council.

315. OMBUDSMAN INVESTIGATIONS

The Committee was also pleased to note that although four complaints of maladministration had been lodged since the last meeting, the Commission for Local Administration (Ombudsman) had declined to proceed to a full investigation in three cases. The fourth case, which had only been lodged some three weeks earlier, was still under initial investigation.

316. MEMBERS' I.T. PROTOCOLS

(Ref: Minutes of Corporate Management Committee, July 2003, page 255, para. 166)

Draft protocols for Members' use of Council supplied I.T. equipment had been approved by the Corporate Management Committee on 3 July and endorsed by full Council, subject to consideration of any comments made by the Committee, on 17 July 2003. Members noted that there were two protocols, one dealing with the provision and use of computers/printers, and the other covering the provision and use of Internet connections. The Committee discussed both Codes in detail, and had a full discussion on whether the specific issue of pornography should be mentioned separately in each protocol. Whilst aware of the difficulties in defining pornography itself, and the associated issues of censorship and personal freedoms, the Members agreed that it would be perfectly rational for the Members' protocols to mirror the e-mail/Internet protocol issued to Council staff. This had a specific paragraph dealing with pornography. Therefore, whilst agreeing the protocols submitted before them the Committee considered that a new paragraph should be added to each.

Accordingly, the Committee

RECOMMEND that -

- i) the following new paragraph (6.4) be added to the 'Councillors Computer and Printer Provision and Usage Protocol' :**

The equipment may not be used for the deliberate processing of pornographic material, meaning any material that the courts would consider illegal or which is of a sexual nature that might cause offence to other Members of the Council, staff, or the general public.

- ii) the following new paragraph (3.5) be added to the 'Councillors Internet Connections Provision and Usage Protocol' :**

The lines must not be used for the deliberate transmission of pornographic material, meaning any material that the courts would consider illegal or which is of a sexual nature that might cause offence to other Members of the Council, staff, or the general public.

317. ANTI-FRAUD AND CORRUPTION POLICY

The Committee was given the opportunity to comment on the Council's Anti-Fraud and Corruption Policy (which had been drawn up in 1998) prior to its review by the Corporate Management Committee. The Committee was broadly satisfied with the document, but amended the last line of the fourth paragraph of the Introduction to read 'and without any deliberate thought or action to perpetrate fraud or corruption'.

RESOLVED that -

the Policy, as added to, be recommended for adoption to the Corporate Management Committee.

318. LEGISLATIVE CHANGES

The Committee was informed of the main provisions contained in the Local Government Bill, which was expected to receive Royal Assent in the current Parliamentary session. Members also noted the impact of the Local Authorities (Code of Conduct) (Local Determination) Regulations 2003 which

came into force on 30 June 2003. Guidance notes on these Regulations had been issued to Committee Members, and were also available on the website. www.standardsboard.co.uk.

It was noted that additional regulations were in preparation, and that a further report would be made to Committee in February 2004.

RESOLVED that -

- i) the Monitoring Officer report further to the February 2004 meeting of the Committee on appropriate procedures for the Standards and Audit Committee and related matters; and**
- ii) pending adoption of new local procedures, the Standards and Audit Committee follow the model procedures and guidance published by the Standards Board for England in August 2003, subject to any variations which might be determined by the Monitoring Officer following consultation with the Chairman of the Committee.**

319. ACCOUNTS AND AUDIT REGULATIONS 2003

(Ref: Minutes of Corporate Management Committee, June 2003, page 27, para. 52)

The new Accounts and Audit Regulations 2003 had been considered by the Corporate Management Committee on 5 June 2003 and this Committee now received a summary. On 17 July 2003 the Council had approved new Financial Regulations which incorporated the requirements of the new Accounts and Audit Regulations. Members noted that Financial Regulation 7.2 specifically placed the responsibility for approving this Council's risk policy statement and strategy on the Standards and Audit Committee (see next item) and that Financial Regulation 9.8 set out a requirement for the Officers to report to the Standards and Audit Committee at least once a year on the audit coverage in the previous year and the plan for the forthcoming year. This has been established practice at Runnymede since 1997.

320. RISK MANAGEMENT STRATEGY

In accordance with Financial Regulations the Committee considered a revised Risk Management Strategy for the Council. The original 1998 strategy dealt purely with operational risk, and the revised proposals aimed to provide a more strategic approach.

In summary, the revised Strategy required the Council to:

- identify the risk of events occurring that will threaten the achievement of desired objectives;
- put controls in place to prevent these risks occurring or to mitigate the impact of these risks;
- document and prioritise the residual risks;
- produce an action plan to address any residual risks that are unacceptable;
- review the controls that are being operated;
- report to Committee at least annually on key risks and the way in which the strategy has been implemented.

Members noted that consultants had been appointed to work up this revised strategy, and that they were satisfied that it was a good foundation on which to proceed. The consultants planned to report back in November and this would be reported to the next meeting of the Committee.

RESOLVED that -

the Risk Management Strategy as set out in Appendix 'B' be adopted, and be reviewed as appropriate following the consultant's report at the next meeting of the Committee in February 2004.

Chairman

(The meeting ended at 9.35 p.m.)