

Monday 30 January 2006  
at 6.00pm



## Standards Committee

**MEMBERS:** Mr A HOBDEN (Independent Representative and Chairman); Mr L LIBECCIO (Independent Representative); Councillors HARRIS, Mrs HEALY, TAYLOR and STEVENS.

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### **10 Minutes.**

The minutes of the special meeting held on 15 December 2005 were submitted and approved and the Chairman was authorised to sign them as a correct record.

### **11 Declaration of Interests.**

None were received.

### **12 Internal Audit Activities and Corporate Governance Arrangements.**

The Committee considered the report of the Local Democracy Manager and Chief Internal Auditor on proposals for effective member oversight of the Council's audit and corporate governance functions in line with CIPFA and Audit Commission Guidance.

The audit functions were currently included within the Scrutiny Committee's terms of reference and it was recommended by CIPFA that these functions were best delivered by an audit committee separate from executive and scrutiny functions, and chaired independently from both of these functions. The audit committee was also seen as an essential feature of good governance and should enable councils subject to Comprehensive Performance Assessment to make better use of their resources and achieve a more positive CPA judgement.

The report outlined 3 options for change to the current arrangements. The preferred option was the transfer of responsibility of the audit function and corporate governance to the Standards Committee and to establish an Audit Task Group linked to the Committee. The additional terms of reference for the Standards Committee as set out in appendix 2 of the report also included a general oversight of the Council's Constitution as opposed to its current role of dealing with matters related specifically to probity.

Provision was made for the Audit Task Group to receive references from and submit reports to other Council bodies. Progress reports on activity would be submitted to the Standards Committee. The Committee was advised that this option was endorsed by the Council's external auditors and the Monitoring Officer. Some Members considered that to maintain openness, overseeing the audit function should remain within the formal committee

structure rather than a task group with a small number of members. The Chief Internal Auditor advised that as a reporting link between the section and councillors, the task group format would provide a better forum for briefing members in greater detail on audit and governance matters and for the effective handling of sensitive issues.

It was proposed that the Task Group comprise two members, with at least one being a member of the Standards Committee. The Committee discussed the membership and the Chairman's suggestion that an independent member should be included. The majority of the Committee supported the appointment of councillors only at this stage, although it was agreed that both members should be drawn from the Standards Committee.

The Audit Commission had advised that members involved in the process must demonstrate suitable levels of knowledge and experience and appropriate training would be provided in consultation with the Chief Internal Auditor. The report would be submitted to the Scrutiny Committee at its meeting on 6 February 2006.

**RESOLVED: (1)** That the Council be recommended to make the necessary constitutional changes to transfer responsibility for oversight of the Council's audit functions from the Scrutiny Committee to the Standards Committee, together with a broadening of the Standards Committee's role in respect of corporate governance, as set out in the report and with additional terms of reference as set out in appendix 2 of the report.

**(2)** (By 3 votes to 2) That an Audit Task Group reporting to the Standards Committee be established with terms of reference as set out in appendix 2 of the report, subject to the amendment that membership should be drawn from councillors on the Standards Committee.

**(3)** That the membership of the Annual Accounts Committee be amended as set out in appendix 2 of the report.

**(4)** That these changes be implemented from the start of the 2006/07 Council Year (i.e., as from Annual Council on 17 May 2006).

**(5)** That the Local Democracy Manager be authorised to amend the Council's Constitution accordingly.

### **13 Special Standards Committee – 15 December 2005.**

The Committee considered the report of the Monitoring Officer on action to be taken following the decision of the Committee on 15 December 2005 in respect of an allegation of misconduct against Councillor Marsden. The Committee had imposed a number of sanctions including the submission of a written apology and the requirement for training to be undertaken.

**RESOLVED: (1)** That the Committee accepts the formal written apology submitted.

**(2)** That Councillor Marsden be required to undertake refresher training as detailed in the report.

The meeting closed at 7.30pm.

**A Hobden  
Chairman**