# STANDARDS COMMITTEE OF THE LONDON BOROUGH OF ISLINGTON

### DRAFT

## FOURTH ANNUAL REPORT – OCTOBER 2006

## **INTRODUCTION**

I have great pleasure in presenting our fourth annual report to the Council on the work of the committee.

## What have we been doing?

## **Ethical Governance Audit**

In the summer of 2005 the Council asked the Audit Commission to carry out an on-line ethical governance survey of members and officers. This was not in the context of any specific concerns in the Council or elsewhere but simply out of interest to see how well it was doing in this important area and to see which areas the Council could develop.

One of the common aspects of governance failures is not the absence of frameworks, controls and arrangements but the absence of appropriate behaviours and values amongst members and officers. The audit therefore looked at the Council's compliance with statutory requirements as well as behaviour and values.

I am pleased to report that the survey found that the Council has strong ethical governance arrangements in place and that generally behaviour amongst members is good. Responses from Islington members and officers to the survey were far more positive about the Council than responses nationally.

The survey also found that there was still work to do to disseminate more widely the existence of the code amongst officers and to develop the Council's approach to the diversity agenda. The Council have already drawn up an action plan to deal with these issues and hope to repeat the exercise sometime in 2007 given the new intake of Councillors in the last elections.

## **General Election Activities of Voluntary Organisations**

Following a request made by the Committee, the Monitoring Officer produced a very helpful report which set out which activities were and were not appropriate for voluntary organisations to engage in during the period between the announcement of an election and the date on which the election is held.

This guidance was posted on the Council's website and made available to voluntary and community organisations that wished to organise hustings for candidates. Many of these organisations stated that they found the guidance extremely helpful.

#### **Local Elections**

The Chair and Jo Michie attended the weekend induction session for new Councillors to introduce the work of the Committee and the Standards regime. We were pleased to see so many new members in attendance and appreciated the steep learning curve they had in trying to assimilate so much new information.

The Committee agreed the programme for member training and development for 2006/07 and as part of that will be running some refresher sessions on the Code of Conduct towards the end of the year.

With the changes to the Council following the May elections we look forward to working with all members and officers to ensure that high standards of ethics and behaviour continue to be observed in Islington.

#### **New Ethical Framework**

Following the consultation paper on the role of Standards Committees and the Code of Conduct by the Office of the Deputy Prime Minister, the Committee received a report at the beginning of this year which set out the governments proposed changes. Many of these changes were areas that the Committee supported to improve and clarify the code overall.

Some of the changes to the new ethical framework would require an Act of Parliament whereas other changes could be effected by subordinate legislation and therefore be introduced earlier. The earliest changes to the code itself would take effect by May 2007.

#### Response to the Recommendations of the Adjudication Panel for England

The Committee formally agreed the response to the recommendations of the Adjudication Panel for England dated 23rd May 2005. The Council has now reviewed the operation of its recruitment and selection procedures in particular to ensure that members participating in the procedures are adequately trained and that the recording of the decisions with these procedures was properly documented.

I am pleased to announce that all members of the Personnel Sub-Committee have undergone training in the Council's recruitment and selection procedures.

#### Reports

We continue to monitor the ethical health of the Council via our quarterly reports on Standards and Ethics Indicators across a number of areas.

We have also received a number of interesting and useful reports over the last year on the following:

- CCTV Scrutiny Review
- Best Value Review of Procurement
- Internal Audit Plan
- Regulation of Investigatory Powers Act 2000
- ➤ Anti-fraud and Corruption Policy
- Annual Audit and Inspection Letter

We will continue to ensure our work programme throughout the year enables us to look at reports which are relevant to our area of work.

## **Independent Member Forum**

The Standards Board for England have set up a network of independent members groups across the country to aid communication between independent members and share good practice.

I have been asked to chair the London-wide Group and we have met on three occasions so far. This is proving a useful forum, especially where committees have had to deal with hearing cases which have been referred to them from the Board.

It is also pleasing to note that Islington's pioneering work with regard to Standards is now coming to a wider audience.

## **New Member**

I acted as an observer at the interviews by the Personnel Sub-Committee for the independent member vacancy, following the resignation of John Gilbert. I am pleased to report that full Council on the 3rd October approved the recommendation to appoint Mr. Eric Sorensen to this position and I am pleased to welcome him to the Committee.

Eric is a local resident who is currently Chief Executive of Thames Gateway London Partnership. Eric has held a number of high profile positions in his career and was also one of the members of the Council's Independent Democracy Commission which was established in 2000 to investigate and report on democratic structures for the authority.

## **Indemnification of Costs**

Following the clearance by a Case Tribunal in January 2006 of all five Councillors of all allegations that they had breached the Code of Conduct in connection with the appointment of the Chief Executive, we received a report with a proposal to indemnify those five Councillors and the complainant in respect of their legal costs incurred by them in connection with those proceedings. The report also asked us to consider whether a similar indemnity should be given to the Chief Executive who was also represented in the proceedings.

The Committee noted the views of Sir Anthony Holland, the Chair of the Standards Board in his letter dated 20 March to ex-Councillor Steve Hitchins in which he stated:

"The Board's view is that the unfortunate situation in which you and your fellow Councillors now find themselves is the sort of situation that was intended to be covered by the Indemnities Order. It is most undesirable that members, who have been cleared of any wrong doing, should be left with a large personal financial burden by virtue of their public office."

We also noted that had this been a criminal or civil case then costs would have been awarded.

One of the duties of the Standards Committee was to promote public life and we considered that if Councillors were to be made personally liable for cases where they had been subsequently cleared and were not indemnified this would make it harder to attract people to stand for local office.

On a majority vote we therefore recommended to the Executive to indemnify the Councillors and the Chief Executive in respect of their legal costs subject to the Director of Corporate Resources being satisfied that the costs themselves were reasonable.

### Conclusion

This has been a particularly busy year for the Committee and I am grateful as ever to both members and officers for the help and support and constructive discussions we have had.

We do need to ensure that the new Council is fully prepared and up to speed with the ethical requirements and continue to publicise and raise the profile of the work of the Committee.

We have had no cases referred to us to investigate or hear by the Standards Board this year but need to ensure that we are ready and trained in the procedures should any be referred next year.

**Father Jim Kennedy Chair of the Islington Standards Committee**