

AGENDA

Meeting: Standards Committee
Place: Council Chamber - Council Offices, Bradley Road, Trowbridge,
BA14 0RD
Date: Monday 30 July 2012
Time: **2.30 pm**

Please direct any enquiries on this Agenda to Yamina Rhouati, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718024 or email Yamina.Rhouati@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225) 713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

Membership:

Cllr Allison Bucknell	Cllr Jon Hubbard
Cllr Nigel Carter	Cllr Julian Johnson (Chairman)
Cllr Chris Caswill	Cllr Ian McLennan
Cllr Ernie Clark	Cllr Carole Soden
Cllr Brian Dalton	Cllr Roy While
Cllr Peter Fuller (Vice Chairman)	Cllr Christopher Williams
Cllr Howard Greenman	

Substitutes:

Cllr Rosemary Brown	Cllr Nick Fogg
Cllr Trevor Carbin	Cllr Francis Morland
Cllr Christopher Cochrane	Cllr Christopher Newbury
Cllr Mary Douglas	Cllr Ian West
Cllr Peter Doyle	

Non-Elected Non-Voting Members:

To be appointed

Part 1

Items to be considered when the meeting is open to the public

1 **Apologies for Absence**

2 **Minutes** (*Pages 1 - 6*)

To confirm the minutes of the meeting held on 2 May 2012.

3 **Declarations of Interest**

Councillors are requested to declare any non-pecuniary or pecuniary interests.

4 **Chairman's Announcements**

5 **Public Participation and Questions**

The Council welcomes contributions from members of the public.

Statements

If you would like to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named on the front of the agenda for any further clarification.

Questions

To receive any questions from members of the public or members of the Council received in accordance with the constitution. Those wishing to ask questions are required to give notice of any such questions in writing to the officer named on the front of the agenda no later than 5pm on Monday 23 July 2012. Please contact the officer named on the front of this agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent.

Details of any questions received will be circulated to Committee members prior to the meeting and made available at the meeting and on the Council's website.

6 **Co-opted Members - update**

To update the Committee on arrangements being made.

7 **Appointment of Sub-Committees and Focus Group** (*Pages 7 - 10*)

Report by the Monitoring Officer.

8 **Annual Governance Statement** *(Pages 11 - 40)*

Report by the Monitoring Officer and draft Annual Governance Statement.

The Committee is asked for its comments on the draft Statement for 2011/12 before final approval is sought from the Audit Committee on 7 September 2012. The views of Cabinet which will consider the Statement at its meeting on 24 July will be made available prior to the meeting.

9 **Code of Conduct Complaints - Status Report** *(Pages 41 - 42)*

Report by the Monitoring Officer.

10 **Frequency of Meetings** *(Pages 43 - 44)*

Report by the Monitoring Officer.

11 **Forward Plan**

The Committee's views are sought on its future work programme.

12 **Urgent Items**

Any other items of business which the Chairman agrees to consider as a matter of urgency.

Part II

Items during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

None

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STANDARDS COMMITTEE

DRAFT MINUTES OF THE STANDARDS COMMITTEE MEETING HELD ON 2 MAY 2012 AT COUNCIL CHAMBER - COUNCIL OFFICES, MONKTON PARK, CHIPPENHAM, SN15 1ER.

Present:

Wiltshire Council Members

Cllr Nigel Carter, Cllr Peter Fuller, Cllr Julian Johnson and Cllr Ian McLennan

Town/Parish Council Co-opted Members

Mr William Bailey, Mr Craig McCallum, Mr Paul Neale, Mr Robert Oglesby JP, Mr John Scragg and Mr Keith Wallace

Independent co-opted Members

Mrs Jane Bayley, Mr Michael Cronin, Mr Philip Gill MBE JP, Mrs Isabel McCord (Chairman), Mr Stuart Middleton and Mr Gerry Robson OBE (Vice Chairman)

Also Present:

Cllr Trevor Carbin, Cllr George Jeans and Cllr Francis Morland

31 Apologies

Apologies were received from Councillor Ernie Clark, Councillor Howard Marshall, Miss Pam Turner and His Hon David MacLaren Webster QC.

32 Minutes of previous meeting

The minutes of the meeting held on 7 March 2012 were presented.

Resolved:

To approve the minutes as a correct record.

33 Chairman's announcements

The Chairman thanked co-opted members for their responses on their interest with regard to moving forward to the new committee. The current position on membership was noted as elected member appointments taking place at Council on 15 May 2012, and co-opted member appointments proposed for Council on 26 June 2012.

34 Declarations of Interest

There were no declarations of interest.

35 Public Participation and Questions from Committee Members.

There were no questions or statements from the public.

36 Revised Planning Code of Good Practice for Members of Wiltshire Council

The revised Planning Code of Good Practice for Members of Wiltshire Council was presented by the Monitoring Officer. He explained that the Code had been modified to reflect changes to the rules on pre-determination in the Localism Act. He added that it would need to come back to the Standards Committee at some time in the future to reflect changes in planning law arising from the Localism Act and regulations and new rules to be issued on declaration of interests.

Resolved:

To recommend Council:

(1) to adopt The Planning Code of Good Practice for Members of Wiltshire Council as amended.

(2) to note that further revisions will be required when the regulations on planning and declaration of pecuniary interests are available.

37 Review of the Council's Overview and Scrutiny Arrangements

Councillor Carter introduced the report which looked at ways to change Overview and Scrutiny to make it more effective. The Scrutiny Manager talked through in detail the proposed changes between the current arrangements shown at Appendix A and those proposed at Appendix B, and a detailed discussion took place.

Concern was raised over the ability of the new sub-committees to set up task groups and the requirement for this to be agreed by the main committee.

Following a debate it was agreed that Appendix B should be amended as follows:-

- In the Overview and Scrutiny Management Committee box, replace the fourth bullet point with 'Establish sub-committees/endorse the formation of task groups/appoint representatives to project boards and delegate responsibility as appropriate'
- In each of the three sub-committee boxes remove the wording 'with the agreement of the Management Committee'

Questions were raised regarding the fourth bullet point in the Budget Overview and Scrutiny Task Group box on Appendix B in that a broader membership might be preferable, similar to the sub-committees.

Questions also raised on the role of the proposed new management committee were clarified by the Monitoring Officer, who explained that there was no intention to stifle initiative in the proposed new structure, rather to ensure that functions and resources were used to best effect on matters prioritised with council objectives.

Resolved:

To recommend to Council:

- 1. To approve the outcome of the Overview and Scrutiny Review as set out in the report, subject to the following amendments:-**
 - a. In Appendix B:**
 - **In the Overview and Management Committee box, replace the fourth bullet point with 'Establish sub-committees/endorse the formation of task groups/appoint representatives to project groups and delegate responsibility as appropriate'**
 - **In each of the three Sub-Committee boxes remove the wording "with the agreement of the Management Committee"**
 - b. To authorise the Monitoring Officer to make any consequential constitutional amendments necessary to give effect to the revised arrangements.**
 - c. To review the operation of the arrangements within 18 months.**

38 **New Standards Framework**

Draft Code of Conduct

The Monitoring Officer introduced the draft Code of Conduct drawn up by the Standards Task and Finish Group. It was agreed that paragraphs 15 to 19, relating to members interests, would need to be reviewed once the regulations governing the registration and disclosure of pecuniary interests had been released. He explained that the draft Code is based upon the DCLG illustrative text for a code, but included additional provisions to ensure clarity and enforceability.

It was helpful to refer to the Roles and Responsibilities of Wiltshire Councillors, set out in the Council's Constitution, by way of a preamble to the document. However, it was understood that town and parish councillors would not be expected to adopt this.

The Member Support in the Locality Task Group had considered the draft Code and proposed complaints process. A note of their discussions was tabled at the meeting and fully discussed.

It was agreed to take the draft Code to Council on 15 May for initial consideration and approval for consultation with town and parish councils and for final approval by council at its meeting on 26 June.

Draft Arrangements for dealing with Code of Conduct Complaints under the Localism Act 2011

Members considered the comments of the Member Support in the Locality Task Group in respect of the arrangements for dealing with code of conduct complaints.

Following a debate it was agreed to support the changes recommended by the Panel, save that:

- the time limit for complaints to be submitted should be within 20 working days on which the complainant became aware of the matter giving rise to the complaint.
- the aim should be to complete cases within 3.5 months - 20 working days to initial assessment - 30 working days for investigation and 20 working days to hearing. This excludes requests for extension by the member, time spent on reviews and exploring alternative resolution.

Paragraph 4.8 a. should be amended to read - to dismiss the complaint or take no further action on the complaint.'

Resolved: To recommend council at its meeting on 15 May 2012:

1. To approve the draft code of conduct attached to the report for consultation with Wiltshire Councillors and Parish, Town and City Councils before final approval is sought at its meeting on 26 June 2012, subject to paragraph 1 of the draft being moved to form part of the preamble.

2. To amend the Arrangements for dealing with Code of Conduct Complaints to reflect the comments of the Member Support in the Locality Task Group, as set out above, for consideration by Council as resolved previously.

39 **Standards Committee Annual report**

The Standards Committee Annual Report was circulated for information prior to it being presented to the Council meeting on 15 May.

Resolved:

To note the report

40 **Annual report on dispensations granted.**

The Head of Governance presented the Annual Report on Dispensation Applications. There had been ten applications for dispensations during the year, four of which had been refused. The dispensation requests were considered on an individual basis looking at the specific circumstances and duration for each application.

Resolved:

To note the report.

41 **Outcome of Standards Hearing Sub-Committee**

The Monitoring Officer drew the committee's attention to the outcome of a Hearing Sub-Committee.

Resolved:

To note the report.

42 **Outcome of Two Standards Consideration Sub Committees**

The Monitoring Officer drew the committee's attention to the outcomes of two Standards Consideration sub-committees.

Resolved:

To note the reports.

43 **Status Report on Complaints made under the Code of Conduct**

The Head of Governance introduced the Status report on Complaints made under the Code of Conduct. The committee noted that all cases were being dealt with within the approved timescale.

Resolved:

To note the report.

44 **Forward Plan**

The forward plan was presented.

Resolved:

To note the forward workplan.

45 **Urgent Items**

There were no urgent items.

(Duration of meeting: 2.00 - 5.25 pm)

The Officer who has produced these minutes is Pam Denton, of Democratic Services, direct line 01225 718371, e-mail pam.denton@wiltshire.gov.uk

Press enquiries to Communications, direct line (01225) 713114/713115

Wiltshire Council

Standards Committee

30 July 2012

Appointment of Sub-Committees and Focus Group

Purpose of Report

1. To seek approval for the appointment of Sub-Committees and Focus Group of the Committee.

Background

2. The terms of reference of the Committee as approved by Council at its meeting on 15 May 2012, provides for the Committee to appoint such sub-committees as may from time be necessary for the efficient discharge of its functions. In particular, the Committee will appoint the following sub-committees:
 - (a) **Hearing Sub-Committee**
to determine member misconduct complaints under the Council's arrangements.
 - (b) **Review Sub-Committee**
to determine requests for review under the Council's arrangements.
 - (c) **Dispensation Sub-Committee**
to determine requests for dispensation from the requirements relating to interests.
3. Council at its meeting on 26 June 2012 approved a revised Code of Conduct in accordance with the Localism Act 2011 and arrangements for dealing with Code of Conduct complaints.
4. In each case the above Sub-Committees shall comprise 3 elected members from whom a chairman will be elected and will need to be politically balanced. The Sub-Committee may include 2 non-voting co-opted members of the Standards Committee, one of whom shall be a parish, town or city council representative where the complaint concerns a parish, town or city councillor.
5. Members of the Review Sub-Committee may not serve on the Hearing Sub-Committee for the same or a linked complaint. These provisions are as set out in the terms of reference as approved by Council.

6. The Committee is therefore asked to appoint the above mentioned sub-committees for the municipal year 2012/13.
7. **Focus Group on the Constitution**

The Committee has within its remit, the 'oversight of the constitution'. Additionally, the constitution itself requires that changes to the constitution are approved by full Council only after consideration of the proposal by the Standards Committee and the Monitoring Officer.
8. The previous Standards Committee had established a Focus Group on the Constitution (Focus Group) to carry out the detailed work required to review or consider changes to the constitution.
9. The Focus Group has proven to be a very useful and constructive forum in which to carry out the detailed work required for onward recommendation to Council via the Standards Committee. Council had at its meeting in November 2010 resolved that the Focus Group remain in being to assist with ongoing review work on the constitution and specifically to review it in light of changes in legislation including the Localism legislation. The constitution will require further review as a result of emerging Regulations under the Localism Act 2011 and any other legislation.
10. The Committee is therefore requested to establish a Focus Group on the Constitution. Details of the Focus Group's previous terms of reference and membership are attached.

Proposal

11. **To appoint the following Sub-Committees and Focus Group of the Standards Committee:**
 - (a) **Hearing Sub-Committee**
 - (b) **Review Sub-Committee**
 - (c) **Dispensation Sub-Committee**
 - (d) **Focus Group on the Constitution**

Ian Gibbons
Monitoring Officer, Director of Law & Governance

Report Author: Yamina Rhouati, Democratic Governance Manager

Unpublished documents relied upon in the production of this report:

None

Focus Group on the Constitution

Terms Of Reference

Terms of reference:

- the ongoing review work on the constitution as and when required;
- producing user friendly summaries of the relevant parts of the constitution for use by members of the public and members of the Council and
- specifically to review the constitution in light of any changes in the legislation including the Localism legislation
- To consider the views of (as appropriate):
 - elected and co-opted members of the Council
 - officers
 - decision making bodies of the Council
 - town, parish and city councils and
 - members of the public

ascertained through questionnaire responses and appropriate methods of communication and make appropriate recommendations

- To offer a councillor perspective on and accordingly to influence key issues within the constitution.
- To advise the Standards Committee of final recommendations on any changes to the constitution for report to Cabinet for consideration and onward recommendation to Council.

Membership

- (i) a member from each political group on the Council nominated by group leaders;

(previously: Cllrs Stuart Wheeler, Jon Hubbard, Christopher Newbury, Nigel Carter and Ricky Rogers)

- (ii) a member of the Overview and Scrutiny Management Committee;

(previously Cllr Tony Trotman – no longer a member of the Management Committee)
- (iii) a member of the Audit Committee;

(previously Cllr Peter Doyle – remains a member of Audit Committee)
- (iv) two independent members and one town and parish representative of the Standards Committee as detailed above;

(The Committee is asked to determine whether any co-opted members should be appointed to the Focus Group)
- (v) that the Focus Group be chaired by one of the Independent members of the Standards Committee;

(no longer applies)
- (vi) that appropriate Councillors and Officers be invited to attend as and when requested by the Focus Group or its Chairman to assist it in its work.

Wiltshire Council

Agenda Item No.

Cabinet
24 July 2012

Standards Committee
30 July 2012

Annual Governance Statement 2011/12

Purpose of the report

1. To ask Cabinet and the Standards Committee to consider a draft Annual Governance Statement for 2011/12 for comment before final approval is sought from the Audit Committee on 7 September 2011.

Background

2. The Council is required, as part of its annual review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2011/12. This will be signed by the Leader of the Council and the Corporate Directors after final approval by the Audit Committee on 7 September 2012 and forms part of the Statement of Accounts.
3. Based on advice from the Chartered Institute of Public Finance and Accountancy (CIPFA), the AGS should include:
 - an acknowledgement of responsibility for ensuring there is a sound system of governance, incorporating the system of internal control;
 - an indication of the level of assurance that the systems and processes that comprise the Council's governance arrangements can provide;
 - a brief description of the key elements of the governance framework, including reference to group activities where those activities are significant;
 - a brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements;

- an outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan.
4. The AGS for Wiltshire Council should demonstrate how the Council is meeting the six principles of good governance adopted in its Code of Corporate Governance. These principles are:
- focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area;
 - councillors and officers working together to achieve a common purpose with clearly defined functions and roles;
 - promoting values for the council and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
 - taking informal and transparent decisions which are subject to effective scrutiny and managing risk;
 - developing the capacity and capability of councillors and officers to be effective;
 - engaging with local people and other stakeholders to ensure robust accountability.
5. The AGS is primarily retrospective. It reports on the assurance framework and measures in place for the financial year 2011/12, but must take account of any significant issues of governance up to the date of publication in September 2012. The AGS should outline the actions taken or proposed to address any significant governance issues identified.
6. The AGS is drafted by members of the Governance Assurance Group, which comprises senior officers who have lead roles in corporate governance and member representatives from the Audit Committee and, until 1 July 2012, the former Standards Committee.
7. The evidence for the AGS comes from a variety of sources, including an assurance framework, directors' assurance statements, relevant lead officers within the organisation and external auditors and inspection agencies.

Draft AGS - Content

8. A copy of the draft AGS for 2011/12 is attached at Appendix 1.
9. The draft has been amended as shown tracked to reflect the comments of the Audit Committee on 20 June 2012. An extract of the Audit Committee's minutes is attached at Appendix 2.
10. The draft reflects the elements described in paragraph 3 of this report and has regard to revised guidance from CIPFA. The draft is based on work undertaken to date and will be revised in the light of further work by the Governance Assurance Group and any observations of the Cabinet, the Standards Committee and the Council's external auditors, KPMG.
11. Section C of the AGS describes the Council's governance framework for the relevant period - April 2011 to date. The final version will need to reflect the position up to the date of approval and signature in September 2012.
12. Section D provides a review of the effectiveness of the Council's governance framework. This section has been structured to reflect the key governance principles set out in the Council's Code of Corporate Governance.
13. The levels of assurance obtained from the range of audits completed during the year has led Internal Audit to the overall audit opinion that for 2011-12 it is able to give reasonable assurance on the adequacy and effective operation of the Council's overall control environment. KPMG's interim audit report 2011/12 supports this in its finding that the Council's organisational control environment is effective overall.
14. The Governance Assurance Group is obtaining assurance statements from directors in relation to their services. These are being reviewed and any issues which impact upon the Council's governance arrangements will be covered in the AGS.
15. Section E of the draft AGS requires the Council to identify any significant internal control issues affecting the Council during the relevant period.
16. CIPFA guidance suggests that an internal control issue is to be regarded as significant if:
 - the issue has seriously prejudiced or prevented achievement of a principal objective;
 - the issue has resulted in a need to seek additional funding to allow it to be resolved, or has resulted in significant diversion of resources from another aspect of the business;
 - the issue has led to a material impact on the accounts;

- the audit committee, or equivalent, has advised that it should be considered significant for this purpose;
- the Head of Internal Audit has reported on it as significant, for this purpose, in the annual opinion on the internal control environment;
- the issue, or its impact, has attracted significant public interest or has seriously damaged the reputation of the organisation;
- the issue has resulted in formal action being taken by the Chief Financial Officer and/or the Monitoring Officer.

17. The following have been identified as significant governance issues at this stage in view of their size, complexity and impact on the delivery of the Council's priorities:

- Transfer of Public Health functions
- Safeguarding and Looked after Children Services
- Implementation of the Transformation Programme
- Managing significant reductions in Government funding and changes in legislation

18. Details of these issues are set out at paragraph 91 of the draft AGS.

19. The Assurance Group will continue to review the various sources of assurance and any variation or further significant governance issues that are identified will be reported to the meeting of Audit Committee in September for final consideration and approval.

20. KPMG will be consulted on the draft AGS and their comments will be taken into account in the presentation of the final version to the Committee in September.

Financial implications

21. There are no financial implications arising directly from the issues covered in this report.

Risk Assessment

22. The production of the AGS is a statutory requirement. Ongoing review of the effectiveness of the Council's governance arrangements is an important part of the Council's risk management strategy.

Environmental Impact

23. There is no environmental impact regarding the proposals in this report.

Equality and Diversity Impact

24. There are no equality and diversity issues arising from this report.

Reasons for the Proposal

25. To prepare the AGS 2011/12 for publication in accordance with the requirements of the Audit and Accounts Regulations.

Proposal

26. Cabinet and the Standards Committee are, therefore, asked:

- a. to consider the draft AGS as set out in Appendix 1 and make any amendments or observations on the content;
- b. to note that the draft AGS will be revised in the light of any comments by Cabinet, the new Standards Committee, and ongoing work by the Governance Assurance Group before final consideration by the Audit Committee on 7 September 2012 and publication by 30 September 2012.

Ian Gibbons
Solicitor to the Council and Monitoring Officer

Report Authors: Ian Gibbons and Marie Lindsay, Ethical Governance Officer

Unpublished documents relied upon in the production of this report:

None.

Appendices:

Appendix 1 - draft Annual Governance Statement 2011-12

Appendix 2 - extract from minutes of Audit Committee 20 June 2012

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Annual Governance Statement

2011-12



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Section D

Review of Effectiveness

Focus on the purpose of the authority and on outcomes for the community, creating and implementing a vision for the local area

Engaging with local people and other stakeholders to ensure robust public accountability

Ensuring that councillors and officers work together to achieve a common purpose with clearly defined functions and roles

Promoting high standards of conduct and behaviour, and establishing and articulating the authority's values to members, staff, the public and other stakeholders

Taking informed, risk based and transparent decisions which are subject to effective scrutiny

Developing the capacity of councillors and officers to be effective in their roles

Section E

Significant Governance Issues

A. Scope of Responsibility

1. Wiltshire Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. We also have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
2. In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs, including the management of risk, and facilitating the effective exercise of its functions.

B. The Purpose of the Governance Framework

3. The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and the activities through which the Council accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
4. The assurance framework and the system of internal control are significant parts of that framework. They are designed to manage risk to a reasonable level. They cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The assurance framework and the system of internal control are based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The assurance framework also provides a mechanism for monitoring and implementing a system of continuous governance improvement.
5. The governance framework has been in place at the Council for the year ended 31 March 2012 and up to the date of approval of the statement of accounts for 2011/12.

C. The Governance Framework

6. The Council's governance framework comprises a broad range of strategic and operational controls, which work together to ensure the sound running and well being of the Council. The key elements are summarised below.

7. Documents referred to are available from the Council or may be viewed on the Council's website (www.wiltshire.gov.uk).

Purpose and Planning

8. The Council's vision and goals are set out in its 4 year Business Plan, which was adopted by the Council on 22 February 2011. The Council's vision is to create stronger and more resilient communities and in support of this it has the following goals:
 - provide high quality, low cost customer focused services;
 - ensure local, open and honest decision making;
 - working with our partners to support Wiltshire's communities.
9. The Business Plan is supported by a Financial Plan, which demonstrates how it will be funded. The management of the Council's strategic risks helps achieve the Council's objectives.

Policy and Decision-Making Framework

10. The Council's Constitution provides the framework within which the Council operates. It sets out how decisions are made and the procedures which must be followed to ensure that these are efficient, effective, transparent and accountable.
11. The Constitution defines the role and responsibilities of the key bodies in the decision-making process - the Council, Cabinet, and Committees, including the Strategic Planning Committee, Area Planning Committees, Licensing Committee, Overview and Scrutiny Select Committees, Standards Committee, Audit Committee, Staffing Policy Committee, Officer Appointments Committee and Area Boards.
12. The Constitution is reviewed regularly by the Monitoring Officer and the Standards Committee through its Constitution Focus Group to ensure that it reflects changes in the law and remains fit for purpose.
13. The Leader and Cabinet are responsible for discharging the executive functions of the Council, within the budget and policy framework set by the Council, and some of this is delegated to Area Boards.
14. The Council publishes a Forward Work Plan once a month giving details of all matters anticipated to be considered by the Cabinet over the following 4 months, including items which constitute a key decision.
15. Schemes of Delegation are in place for Cabinet Committees, Cabinet Members and Officers to facilitate efficient decision-making. The Leader has established two Cabinet Committees - the Cabinet Capital Assets Committee and the Cabinet Business Relief Committee.

16. The Council has established 18 area committees known as Area Boards. Each area board exercises local decision making under powers delegated by the Leader.
17. During 2011-12 the overview and scrutiny arrangements consisted of four main select committees covering Organisation and Resources, Children's Services, Environment, and Health and Adult Social Care. The Select Committees established a number of standing and ad hoc task groups to undertake detailed monitoring and reviews. Rapid scrutiny exercises have provided other opportunities where there have been time constraints. Scrutiny member representatives can also be appointed to boards of major projects. The arrangements for overview and scrutiny were revised by Council in May 2012.
18. These arrangements serve to hold the Cabinet, its Committees, individual Cabinet Members and Corporate and Service Directors to public account for their executive policies, decisions and actions.
19. The Standards Committee is responsible for:
- promoting and maintaining high standards of conduct by Members and Officers across the Council;
 - determination of complaints under the Members' Code of Conduct;
 - oversight of the Constitution, complaints in relation to the Council's services, and the whistle blowing policy.
20. On 15 May 2012 the council appointed a new standards committee with terms of reference that reflect the council's responsibilities under the new standards regime which will come into effect on 1 July 2012.
21. The Audit Committee is responsible for:
- monitoring and reviewing the Council's arrangements for corporate governance, risk management and internal control;
 - reviewing the Council's financial management arrangements and approving the annual Statement of Accounts;
 - focusing audit resources;
 - monitoring the effectiveness of the internal and external audit functions;
 - monitoring the implementation of agreed management actions arising from audit reports.

Wiltshire Pension Fund

22. The Wiltshire Pension Fund is overseen by the Wiltshire Pension Fund Committee. This Committee has its delegated power from the full Council, rather than the Executive (Cabinet), so as to avoid any conflict of interest (e.g. in relation to the setting of employer contributions).
23. This Committee is responsible for all aspects of the fund, including:

- the maintenance of the fund;
- preparation and maintenance of policy, including funding and investment policy;
- management and investment of the fund;
- appointment and review of investment managers.

24. The Wiltshire Pension Fund Committee exercises its responsibilities in relation to investment management when it sets investment policy and appoints/monitors external investment managers.

Regulation of Business

25. The Constitution contains detailed rules and procedures which regulate the conduct of the Council's business. These include:

- Council Rules of Procedure
- Budget and Policy Framework Procedure
- Financial Regulations and Procedure Rules
- Procurement and Contract Rules
- Members' Code of Conduct
- Officers' Code of Conduct
- Corporate Complaints Procedure

26. The statutory officers - the Head of Paid Service (Service Director, HR and Organisational Development), the Monitoring Officer (Solicitor to the Council) and the Chief Finance Officer have a key role in monitoring and ensuring compliance with the Council's regulatory framework and the law. The statutory officers are supported in this role by the Council's HR, legal and democratic services, finance, governance and procurement teams, and also by the internal audit service which is provided by South West Audit Partnership (SWAP).

27. The following bodies have an important role in ensuring compliance:

- Audit Committee
- Overview and Scrutiny Committees and Task Groups
- Standards Committee
- Internal Audit, through SWAP
- External Audit and Inspection Agencies.

28. The Council has established a Governance Assurance Group whose membership is composed of senior officers with lead responsibility for key areas of governance and assurance, together with an elected member who is the vice-chair of the Audit Committee, and a member of the Standards Committee. Other officers and members attend by invitation to provide the Group with information about issues on which the steering group is seeking assurance. Officers can also bring any concerns about the Council's governance arrangements forward to the Group for

consideration.

29. The Governance Assurance Group meets monthly and has a forward work plan. It is responsible for gathering evidence for and drafting the Annual Governance Statement. It identifies any potential significant governance issues throughout the year, and seeks assurance on the effectiveness of measures to address these. It has a key role in promoting and supporting sound governance across the organisation and reports as required to the Corporate Leadership Team.

Management of Resources, Performance and Risk

Financial management

30. Financial management and reporting is facilitated by:

- Regular reports to Cabinet on the Council's Revenue Budget and Capital Programme;
- regular review by the Corporate Leadership Team;
- bi-monthly consideration of these reports by the Budget and Performance Task Group;
- budget monitoring by Service Managers;
- compliance with the Council's Budgetary and Policy Framework, Financial Regulations and Financial Procedure Rules;
- compliance with external requirements, standards and guidance;
- publication of Statement of Accounts;
- overseeing role of the Audit Committee.

31. The Council's financial management arrangements are consistent with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government, issued in 2010.

Performance and Risk Management Reporting

32. The Council's Business Plan sets out how the Council will:

- protect our most vulnerable citizens by investing in their services;
- invest in the future of Wiltshire by enhancing key service areas;
- keep the council tax low;
- make savings to cover the cut in government funding and projected investments.

33. It also identifies the benefits and outcomes to be delivered over the next four years. These are supported by corresponding programmes and measures, with clear responsibilities for delivery. A new 'scorecard' approach has been introduced to report progress on the Business Plan.

34. The Risk Management Strategy is being reviewed to ensure that risk management arrangements remain appropriate and opportunities and threats are identified and managed to help achieve the Council's priorities.
35. Reports which cover the significant corporate risks are submitted to the Corporate Leadership Team on a quarterly basis and to the Audit Committee six monthly.
36. The Council's Business Continuity Policy provides a framework to maintain and develop business continuity arrangements at both corporate and service levels. It sets out the responsibilities of different management levels and groups as part of this process.

Internal Audit

37. The main role of Internal Audit is to provide an independent and objective opinion on the Council's control environment.
38. Internal Audit has the following additional responsibilities:
 - providing support to the Chief Finance Officer in meeting his responsibilities under Section 151 of the Local Government Act 1972, to make arrangements for the proper administration of the Council's financial affairs;
 - investigating any allegations of fraud, corruption or impropriety;
 - advising on the internal control implications of proposed new systems and procedures.
39. The annual Internal Audit Plan is based on an assessment of risk areas, using the most up to date sources of risk information, in particular the Council's Corporate and Service Risk Registers. The Plan is agreed with Corporate Directors and Service Directors, and presented to the Audit Committee for approval. The Committee receives reports of progress against the plan throughout the year. The Internal Audit Annual Report summarises the results and conclusions of the audit work throughout the year, and provides an audit opinion on the internal control environment for the Council as a whole.

External Audit and Inspections

40. The Council is subject to reviews by external inspection agencies, OFSTED, and the Care Quality Commission (CQC). The results of these inspections are used to help strengthen and improve the Council's internal control environment and help secure continuous improvement.

Directors Assurance Statements

41. Directors' assurance statements are being obtained from all service directors and will be reviewed by the Assurance Group. Any significant governance issues identified will be reported in Section E.

Monitoring Officer

42. The Monitoring Officer has not to date made any adverse findings in the course of the exercise of his statutory responsibilities.

D. Review of Effectiveness

43. The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the Council's internal audit function provided by SWAP, and also by reports of external auditors and other review agencies and inspectorates.
44. The key principles of corporate governance are set out in the Council's Code of Corporate Governance as follows:
- Focusing on the purpose of the Council and on outcomes for the community, creating and implementing a vision for the local area;
 - Engaging with local people and other stakeholders to ensure robust public accountability;
 - Ensuring that members and officers work together to achieve a common purpose with clearly defined functions and roles;
 - Promoting high standards of conduct and behaviour, and establishing and articulating the Council's values to members, staff, the public and other stakeholders;
 - Taking informed, risk based and transparent decisions which are subject to effective scrutiny; and
 - Developing the capacity of members and officers to be effective in their roles.
45. The effectiveness of the Council's assurance framework and system of internal control is assessed against these six principles.

Focus on the purpose of the Council and on outcomes for the community, creating and implementing a vision for the local area

46. The Council's vision and goals are set out in its Business Plan 2011-2015. This is consistent with the long term priorities that are set out in the Community Plan 2011-2026.

47. The Community Plan (our sustainable community strategy) was developed with partners during 2010/11 and approved by the Council on 17 May 2011. It gives partner organisations a set of general principles to check their plans against. It has three long term priorities:

- Creating an economy that is fit for the future;
- Reducing disadvantage and inequalities;
- Tackling the causes and effects of climate change.

Engaging with local people and other stakeholders to ensure robust public accountability

48. The Council has taken steps to make its purpose and responsibilities clear to staff and the community it serves. These have included:

- Regular staff briefings by the Leader and Corporate Directors and involvement in the corporate induction process.
- Communication channels, including the Council's website and Intranet, Team Wire and Elected Wire (an on-line briefing for staff and councillors respectively), Your Wiltshire residents magazine, delivered to all households in Wiltshire and providing information about Council services, how to get involved, and information from partner agencies. The Council also arranges face-to-face events, including road shows, area boards, contact centres, customer forums and exhibitions.

49. The ongoing development of area boards has played a key role in ensuring robust public accountability and engagement with more than 10,000 people attending area board meetings over the past year. Over 600 local issues have been resolved and over £1.4m has been allocated to support local projects by the Boards, generating in excess of £3 million of external funding and investment in our communities.

50. The governance arrangements for the area boards is set out in the Council's Constitution.

51. In 2011 the Area Boards' processes were the subject of internal audit review and no significant areas of risk were found. The recommendations arising from the review were addressed during the year.

52. The Leader undertook a review of the operation of area boards in 2010, involving consultation with councillors, parish councillors, officers, partners and the general public. The review highlighted a number of actions to be taken to develop area boards, and in particular to:

- *ensure that a representative cross section of the community is engaged at a local level* – changes have since been introduced to ensure that the Boards and the Council are focusing on the needs of those people either cannot or who rarely attend Area Board meetings. This has included the launch of the Wiltshire Voices programme, the Joint Strategic Assessment profiling, online blog sites and increased use of social networking to involve and engage local people.
- *enhance the area boards' decision making role* – over the last year more functions have been delegated to the Area Boards - most notably additional highways functions. Place based budget pilots and campus developments will increase this further during 2012, with further devolution promised in the Council's Localism Programme.
- *clarify and promote the role of the community area partnerships* – the introduction of community area Joint Strategic Assessments have reinforced role of the Community Area Partnerships and community-led planning which has improved the collaborative relationship with the Area Boards.
- *raise public awareness of the area boards* – the introduction of community area network news letters and e-bulletins have helped increase awareness of Area Boards activities and this in turn has helped improve public satisfaction with the Boards.
- *recognise and enhance the role of parishes within the area board framework* – parish councils are now seen as the most local level of Wiltshire's area governance arrangements with increased devolution of consultation to parish level and a change in the way in which issues are managed.

53. A further review was undertaken in 2011 which revealed a 12% increase in public satisfaction with the Area Boards. Each Area Boards was provided with its results with a best practice checklist to encourage further improvements. The survey and self assessment will now be repeated annually.

54. During 2011/12 a number of council assets were transferred to parish councils and other community groups. The Council has reviewed its policy for the transfer of assets and renewed its commitment in this area.

55. The Council has re-written Section 11 of the Constitution, now called the Procurement and Contract Rules. These new rules introduce an improved approach to planning and delivering procurement related expenditure.

Specific responsibilities have been given to Service Directors to create and present a 12 month (minimum) plan identifying where procurement activity will take place within their respective Service Areas. To govern the activity and capture the resulting benefits the Corporate Procurement and Commissioning Board has been established with a new membership and Terms of Reference. The Board will be chaired by the Service Director for Finance (also Section 151 Officer) and be attended by the Cabinet Member for Procurement, a Corporate Director, the Solicitor to the Council, the Head of Procurement, and the relevant Service Directors.

56. The new approach to procurement governance will create a check and challenge system as a powerful and effective means of holding procurement decision-makers to account, ensuring legal and process compliance, and introducing renewed focus on delivering value for money. It will also ensure that those responsible for procurement decisions are clearly identifiable. The procurement operation is focusing on optimising supply side benefits and constructively managing demand through the Procurement and Commissioning Board.

57. The Partnership Protocol and Register, now in operation for one year, has captured the Council's existing partnerships arrangements. At present there are 51 identified partnerships in operation. Each partnership has an identified owner within the Council and has been reviewed to identify the risk status. The details of each partnership are available via the electronic Partnerships Register on the Council's intranet.

Ensuring that councillors and officers work together to achieve a common purpose with clearly defined functions and roles

58. The Constitution sets out clearly the roles and responsibilities of councillors and officers in the decision making process. This includes schemes of delegation which are currently under review as part of the ongoing review of the Constitution.

59. The Council has adopted a Councillor and Officer Relations Protocol which:

- outlines the essential elements of the relationship between councillors and officers;
- promotes the highest standards of conduct;
- clarifies roles and responsibilities;
- ensures consistency with the law, codes of conduct and the Council's values and practices; and
- identifies ways of dealing with concerns by councillors or officers.

Promoting high standards of conduct and behaviour, and establishing and articulating the authority's values to members, staff, the public and other stakeholders

60. All staff are required to meet high standards of ethical conduct under the Officers' Code of Conduct.
61. The Officers' Code of Conduct was significantly strengthened by the introduction in the spring of 2012 of the Behaviours Framework. This framework clearly articulates the behaviours expected of council officers, and forms an integral part of the Council's recruitment and performance management procedures.
62. The Council is developing a new code of conduct for councillors and arrangements for dealing with member misconduct complaints under the requirements of the Localism Act 2011 which come into effect from 1 July 2012.
63. The Council has a Whistle Blowing Policy and an Anti-Fraud and Corruption Policy which were updated in 2010. It has also introduced an Anti Money Laundering Policy. The Standards Committee receives an annual report on the effectiveness of the whistle blowing policy. The Audit Committee has responsibility for monitoring the implementation of the Anti Fraud and Corruption Policy and Strategy and the Anti Money Laundering Policy.
64. The Council's Governance Service is responsible for customer complaints, access to information legislation, the Code of Conduct for Members, and the promotion of good governance within the Council and with key partners, including the town and parish councils of Wiltshire. This helps to ensure that robust governance arrangements are supported across the Council.
65. The Council is developing a culture that reflects a modern, new organisation that embraces change, treats everybody fairly and values diversity. To this end it has agreed the following core values:
- Placing its customers first;
 - Strengthening its communities;
 - Adopting a 'can-do' approach in everything it does.
66. The Council's Standards Committee has played an important role in overseeing and promoting ethical governance throughout the Council. Further information on its work is contained in its Annual Report for 2011-12. In particular, the Committee has played an active role in ensuring that the Council has in place arrangements to promote and maintain high standards of conduct following the abolition of the statutory standards regime as a result of the Localism Act 2011.

Internal Audit

67. Internal Audit represents an important element of the Council's internal control environment, and to be effective it must work in accordance with the Code of Practice for Internal Audit in Local Government, which lays down the mandatory professional standards for the internal audit of local authorities.
68. From November 2011 the Council's internal audit function has been provided by SWAP. In reviewing the effectiveness of the Council's internal audit arrangements the Council's external auditors, KPMG, identified that this change inevitably had an impact on Internal Audit during the year, but despite this they found that Internal Audit generally complied with the Code of Practice for Internal Audit in Local Government.
69. The Internal Audit Annual Report and Opinion 2011-12 summarises the results and conclusions of the audit work throughout the year, and provides an independent audit opinion on the internal control environment for the Council as a whole.
70. The levels of assurance obtained from the range of audits completed during the year has led Internal Audit to the overall audit opinion that for 2011-12 it is able to give reasonable assurance on the adequacy and effective operation of the Council's overall control environment. KPMG's interim audit report 2011/12 supports this in its finding that the Council's organisational control environment is effective overall.
71. The response of management throughout the Council to the results of audit work has continued to be positive and constructive, and appropriate action is being taken to manage the risks identified in audit reports. Progress on the implementation of agreed management actions is reported regularly to the Audit Committee.
72. Following a recommendation from the Audit Committee, Internal Audit reports and recommendations for management action are received by the relevant Cabinet Members.

External Audit

73. The latest report to those charged with governance, issued by KPMG in respect of Wiltshire Council for 2010/2011, was presented to the Audit Committee in September 2011. The Letter summarised the key issues arising from the audit of Wiltshire Council for the year ended 31 March 2011 and an assessment of the Council's arrangements to secure value for money in its use of resources.
74. The letter highlighted the key message as follows:

- KPMG issued an unqualified opinion on the accounts.

- KPMG confirmed that the Council had addressed critical accounting matters appropriately. This included the implementation of International Financial Reporting Standards (IFRS), which had been addressed appropriately by the Council.
- KPMG identified a number of adjustments to the draft financial statements, however these were all classification errors and as such had no impact on the overall reported financial position or performance. They concluded that this result demonstrates the high level of care and resource that the finance team put into preparing the financial statements and the working papers for audit.
- KPMG also confirmed that the quality of the accounts and the supporting working papers provided to them was excellent. Officers dealt efficiently with audit queries and the audit process was completed to the planned timescales. It was noted that this was achieved whilst coping with the department restructuring and the transition to IFRS which resulted in a significant amount of additional work for KPMG and Finance staff.
- KPMG concluded that the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Taking informed, risk based and transparent decisions which are subject to effective scrutiny

75. Cabinet Members and Officers exercising delegated powers are required to take decisions in accordance with their respective schemes of delegation. The Leader's protocol for decision-making by Cabinet Members ensures transparency by requiring publication of the intention to make a decision on 5 clear days' notice and the final decision.

76. Risk assessment forms an integral part of management reporting supporting the decision making process.

77. Work of the Council's Overview and Scrutiny Select Committees, task groups and associated activities have focused on:

- Supporting/challenging the delivery of one council benefits and efficiencies, service redesign, harmonisation and transformation;
- Monitoring the performance of the Council's major service providers including external contractors and partners;
- Reviewing the implementation of major corporate projects;

- Monitoring the Council's (and its statutory partners) performance against targets;
- Engaging in the Council's budget setting process and budget monitoring;
- Engaging in the development of the Council's Business Plan;
- Initiating reviews into matters of local concern relating to service delivery and contributing to the development and review of policy.

78. In May 2012 the Council agreed revised arrangements for its overview and scrutiny function to increase its effectiveness by providing greater consistency of approach across the function, delivering a single work programme based on the Council's priorities, and encouraging increased councillor engagement.

79. The work undertaken by the Audit Committee this year has included:

- review and approval of the Annual Governance Statement and Statement of Accounts for 2010/11;
- review of the work and findings of Internal Audit, including the Annual Report and audit opinion on the control environment, and the approval of the provision of Internal Audit services through SWAP with effect from 1 November 2011;
- review of the Council's risk management arrangements;
- review of the work and findings of external audit, including the Annual Audit Letter and Report to Those Charged with Governance.

80. Risks are identified and monitored by services departments. Significant risks are identified and reviewed on a regular basis by the Corporate Risk Management Group. Reports are issued on the significant risk areas through the Council's reporting arrangements. Training on Risk Management is delivered to Members annually, including the development of specific training for staff involved in risk arrangements as a result of their work.

81. The risks associated with major projects are managed through project management arrangements with regular reporting to the relevant boards and member bodies.

82. Work in respect of the Council's Business Continuity Management processes have continued and the quality of data collected through business impact analysis (BIA) has improved overall.

83. Since November 2011 the council has experienced a series of actual and intentional disruptions to its services and these have been used to further strengthen business continuity arrangements. Aspects of the corporate business continuity management were successfully invoked as a precautionary measure, with the formation of a tactical a strategic group and regular situation reports to CLT and Cabinet.
84. Public protection is currently undergoing a systems thinking review and business continuity will be the pilot for emergency planning. In addition, the corporate business continuity policy will undergo an in-depth review to assess how business continuity management structures have performed and to keep the policy in line with the leaner council structures.
85. The Council's Business Plan sets out how the Council will manage the risks and challenges arising from the reduction in government funding and the substantial changes in the way local government is organised.

Developing the capacity of councillors and officers to be effective in their roles

86. The Council is committed to the ongoing development of its councillors and recognises the importance of building up their capacity and effectiveness.
87. The Council's Councillor Development Policy:
- establishes councillors' individual training needs and protocols and allocates budget according to the Council's priorities;
 - ensures equality of access to funds and training events;
 - evaluates the effectiveness of councillor development annually to inform the allocation of funding for future years.
88. A cross party Councillor Development Group meets every eight weeks to discuss ideas on councillor development to equip councillors with the skills and knowledge they need to perform their role, encourage greater involvement in local democracy, and monitor the budget.
89. Wiltshire Council was externally assessed by South West Councils on 9 August 2011 and was subsequently awarded Charter Status for Councillor Development. This is recognition that the Council has achieved best practice in the way it provides learning and development opportunities for its elected councillors. The accreditation lasts for three years. The Council hopes to apply for charter plus status after the new Council has been elected in 2013.
90. A Comprehensive Councillor Development Programme has been produced covering a range of topics from community leadership to ICT skills. This links in with the corporate aims and values of the Council and also anticipates the new challenges that will be faced by councillors in relation to localism. As part of this work a level 5 qualification (degree

level), in leadership and management, was developed and a number of councillors successfully achieved their certificates.

91. Councillors are encouraged to complete a training needs assessment form each year and are also offered a one to one meeting with a learning and development professional. The training needs highlighted by this process are taken into account when producing the development programme to ensure that it is councillor led.

92. A refreshed People Strategy is being developed to support delivery of the business plan, embed the behaviours framework and develop the culture of the council. An action plan will support the delivery of the People Strategy, which is critical to enabling the Council to create the capacity it needs to work in different ways and successfully meet current and future challenges.

93. Key priorities include:

- Corporate and service workforce planning framework - the organisational wide workforce plan is critical in identifying the people resources required now and in the future to deliver the priorities identified in the business plan;
- Review of terms and conditions of employment and reward schemes to deliver savings and to ensure that the Council's terms and conditions enable it to compete effectively in the labour market and support retention of the key knowledge and skills required to deliver services;
- Review and refresh of HR policies and procedures that support good people management practices and enable effective deployment of policies and procedures by managers and employees;
- Development and maintenance of self service tools and information (HR Direct) for managers and employees to improve the delivery of HR services, enable effective deployment of HR policies and procedures and develop effective people management capacity;
- Delivery of a performance management framework, including a refreshed electronic appraisal which incorporates the new Council values and behaviours, as well as the development of a framework of performance management tools for managers;
- Leadership and management development - programmes of development ongoing. A review and refresh of all management development programmes is taking place to ensure the content incorporates the new Council values and behaviours;
- Councillor development - a programme has been developed with and for elected members;

- A business focused blended learning programme of employee learning which will include the changing capability requirements e.g. commissioning and partnership skills;
- Continue to deliver an employee assistance programme in partnership with Job Centre Plus, independent financial advisers and occupational health for managers and staff who are at risk of redundancy as part of service reviews and operational restructuring.

IT Control Environment

94. The Council's external auditors, in their Interim Audit Report 2011-12, recognise that improvements have been made in the IT control environment, particularly in relation to the SAP system, but have identified a number of areas for further improvement. These are the subject of ongoing work and discussions between the Council and its auditors, the outcome of which will be reported to the Audit Committee at its meeting in September.

Housing Landlord Service Improvement Plan

95. Wiltshire Council's housing services are engaged in a range of improvement projects which will modernise the services and address the issues raised in recent audits. The improvements include:

- new maintenance and repairs contracts reflecting the self financing model;
- an Asset Management Strategy and Business Plan;
- a new IT system design with improved work flows;
- a restructure of the Housing Management function;
- improved tenancy engagement and participation.

96. This work will start to deliver real improvement in the autumn of 2012. The programme of work is governed by a programme board which considers all risks and issues at its fortnightly meeting.

Governance Arrangements for Dealing with Complaints Involving Third Parties

97. The Council is undertaking a review of its complaints arrangements following a restructure of this function in the first part of this year. This will include a review of its arrangements for dealing with complaints involving third parties.

Police and Crime Panel

98. Work is underway to meet the requirement of the Police and Social Responsibility Act 2011 to appoint a Police and Crime Panel, as a joint committee with Swindon Borough Council. The role of the Panel will be to hold the directly elected Police and Crime Commissioner to account for the effective policing of the force area from November 2012.

E) Significant Governance Issues

99. The following have been identified as significant governance issues:

Transfer of Public Health Functions

Wiltshire Council and NHS Wiltshire are preparing for the transfer of public health functions to the council in April 2013 under the Health and Social Care Act 2012. This may be regarded as a significant governance issue due to the nature and complexity of the proposed transfer and the steps that need to be taken in order to ensure a smooth transition. An integrated Transition Board has been set up to oversee the activities of the transition project and sub-groups. The Transition Group is chaired by the Council member for Public Health and Protection Services and comprises of members from both the PCT and the council, representing the various sub-groups.

The council has established a shadow Health and Well-being Board in anticipation of the statutory requirement to have a Board in place in April 2013. The Board will be a committee of the council and will have a strategic leadership role in promoting integrated working between the council and the NHS, and in relation to public health services. It will be the key partnership and focal point for strategic decision making about the health and well-being needs of the local community.

Risks associated with the transition are reported to the Transition Board and to the Council and NHS Wiltshire where necessary.

Safeguarding and Looked after Children Services

In March 2012 Ofsted carried out an inspection of Wiltshire's safeguarding and looked after children services. Their report, published on 24 April 2012, found:

- the overall effectiveness of safeguarding services is inadequate;
- wider safeguarding provision is effective and in a number of instances there is evidence of good and outstanding practice;

- the capacity for improvement is adequate.
- political and managerial ambition and prioritisation across the partnership are at least adequate and provide a clear direction of travel. There is a strongly evidenced commitment from all partners to ensure that the well-being and safety of children and young people are central to service planning and delivery.
- Services for children and young people who have learning difficulties and those who are disabled have been transformed over the past 18 months and are good with some outstanding features.

The inspectors reported that as soon as the issues were raised with the Council that immediate and appropriate action was taken to ensure the children and young people identified were re-assessed and appropriately protected. A detailed improvement plan was drafted and shared with inspectors before they left. This plan has subsequently been developed following receipt of the inspection report.

The immediate actions as set out in the inspection report and the improvement plan are either well underway or have been completed. An Improvement Board has been set up and has already met twice. The terms of reference for this board and its role have been agreed. Its key purpose is to oversee, challenge and support the delivery of improvement. Membership is at senior level and includes representatives from the Council, health services and police and the chair of the newly established safeguarding scrutiny task group. An independent chair has been appointed. A multi-agency operational group, will support the board to ensure that the improvements are delivered.

An external audit of all child protection cases, open cases held within the Referral and Assessment team, and cases where children have returned home following accommodation by the Council, has been undertaken and action has been taken in response to any identified issues. Additional management capacity is in place and quality assurance processes have been strengthened. Staff and managers are regularly updated and invited to attend development sessions.

The Department for Education has confirmed that the Council's actions to date have been timely and appropriate and the inspectors stated that the Council is committed, within challenging budget reductions, to protecting its front line services.

Implementation of the Transformation Programme

The Council's Business Plan is ambitious and involves major transformational change to enable the Council to meet the significant challenges that it is facing and deliver its vision to create stronger and more resilient communities.

The Transformation Programme covers a wide range of activities, including:

- systems thinking service reviews across all services within the council to find leaner ways of working and to ensure that the right service is offered in the right way from the customer's perspective;
- working with partners in the community, such as police, fire service and GPs to use buildings and resources in a more efficient way to share the way services are offered;
- rationalising the council's assets to ensure that they are fit for purpose, sustainable, and provide better value for money. This includes the campus development programme where the council is investing in modern and sustainable local community facilities designed by the local communities in each community area;
- reviewing ICT hardware, software and processes to ensure that they are fit for purpose and enable the efficient and effective delivery of the council's services.

The council has established a corporate programme office to support the delivery of a single, coordinated programme of transformation for all projects within the Business Plan,, creating one consistent approach to project management across the council.

Managing Significant Reductions in Government Funding and Changes in Legislation

The funding formula for local government and other public sector partners is changing in 2012 for 2013/14. As yet only draft guidelines have been issued and a final announcement is not expected until January/February 2013. That is the same time as the Council Tax is set. This causes uncertainty over the process of setting budgets and precepts. Alongside this the changes proposed will give more localised decisions around areas such as local business rates and council tax collection, which in turn will increase the volatility risk of income. At the same time the Council must manage the increasing demand for services, for example, to protect vulnerable children and adults. The Council will need to develop plans over the next few months to anticipate these challenges.

Jane Scott
Leader of the Council

Corporate Directors

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Wiltshire Council

Standards Committee

30 July 2012

Code of Conduct Complaints – Status Report

Purpose of Report

1. To provide Standards Committee members an update on Code of Conduct complaints awaiting assessment or determination.

Background

2. The legislation requiring members to comply with a statutory Code of Conduct was abolished and a new regime introduced with effect from 1st July 2012 under the provisions of the Localism Act 2011. There were a number of complaints brought under the old Code that were either under investigation, awaiting a hearing, or awaiting assessment when the new provisions came into force. The issue of regulations clarifying what would happen to these complaints was delayed and this had an impact on the Monitoring Officer's ability to progress existing complaints.

The relevant regulations have now been made, and this report sets out the status of the Code of Conduct complaints that have not yet been determined.

Main Considerations for the Committee

3. The regulations make it clear that all existing cases that were not determined or assessed by the 1st July 2012 must be dealt with using the Council's new procedures for handling Code of Conduct complaints. This includes the statutory involvement of an "Independent Person" at the assessment and hearing stages. The test of these "inter regnum" complaints will, however, be whether or not the behaviour complained of breaches the old statutory Code of Conduct. They will not be assessed against the new local Codes that have been adopted by relevant authorities from 1st July 2012.
4. Interviews for Independent Persons were conducted on 9th July 2012 and the appointment of 3 Independent Persons was approved by Council at their meeting on 10th July 2012.
5. Training for the Independent Persons is being arranged. Preliminary training can take place over the next 3 weeks, but more in-depth training will be necessary over the coming few months.

6. There are 6 complaints where the investigation has been completed and which now await a hearing. 4 of these involve one member and the complaints arose from a single incident, so in effect only 3 hearings are required. These are likely to take place in September in order to ensure the availability of the hearing panel, the parties to the complaints, and the witnesses.
7. There are 2 complaints which are at draft report stage. Final reports will be issued within the next fortnight and it will then be possible to determine whether a hearing will be required. This will depend upon whether or not the Investigating Officer concludes that the matters complained of are capable of representing a breach of the statutory Code.
8. There is 1 complaint that has been referred for investigation. However, the timing of the referral meant that the investigation could not begin until an Independent Person had been appointed for the subject member to consult. When appropriate training has been provided for the Independent Persons the investigation will begin. This will be a "light touch" investigation under the Council's new procedures for Code of Conduct complaints.
9. There were 9 new complaints submitted between 9th May 2012 and the date of writing this report. These complaints could not be assessed under the old statutory provisions because it would not have been possible to deal with them in the statutory timescales set out by the now-abolished statutory procedures. They have therefore been in abeyance pending the appointment of Independent Persons. These 9 complaints will be assessed by the Monitoring Officer, in consultation with an Independent Person, as soon as possible after his return from annual leave.

Proposal

10. Members of the Standards Committee are asked to note this report.

Ian Gibbons
Monitoring Officer, Director of Law & Governance

Report Author:

Nina Wilton, Deputy Monitoring Officer and Head of Governance 01225 713078

Date of report: 20 July 2012

Background Papers

The following unpublished documents have been relied on in the preparation of this report: None

Wiltshire Council

Standards Committee

30 July 2012

Frequency of Standards Committee meetings

Purpose of Report

1. The Committee is asked to consider and agree the frequency of its Committee meetings.

Background

2. Much of the Committee's work in terms of considering and determining Code of Conduct complaints or determining applications for dispensation will be dealt with by the Sub-Committees to be established under item no. 7 of this agenda.
3. The work of members operating as a Committee will be in relation to setting or agreeing policies and practices for the efficient discharge of its functions as laid down in its terms of reference approved by Council.
4. The Committee's views are sought on the frequency of its meetings.
5. It is suggested that four meetings be scheduled per municipal year. This would result in meetings being arranged for the remaining part of 2012 and the whole of 2013 as follows:

24 October 2012

9 January 2013

10 April 2013

10 July 2013

9 October 2013
6. Additional meetings can be arranged as and when required.

7. Subject to the Committee's views, it is proposed to continue with meetings being held on Wednesdays at 2.30pm

Proposal

8. To agree the Committee's timetable of meetings as referred to in paragraph 5 above.

Ian Gibbons
Monitoring Officer, Director of Law & Governance

Report author

Yamina Rhouati, Democratic Governance Manager

Tel: 01225 718024

Email: Yamina.Rhouati@wiltshire.gov.uk