

## **Article 9 – The Standards Committee and The Audit Committee**

### **Explanatory Comment**

The Standards Committee has an important role in ensuring and promoting good ethical conduct of Councillors and officers. The Audit Committee has an important role in overseeing financial processes, audit and risk management. They both support good governance in the public sector, with particular reference to local government.

**(Section 53-55 and Sections 81(5), Local Government Act 2000)**  
(CIPFA Position Statement –“Audit Committee Principles in Local Government”)

#### **9.01 Standards Committee**

The full Council will establish a Standards Committee.

#### **9.02 Composition**

##### **Political Balance**

The Standards Committee will be politically balanced as per the political balance rules in **section 15 of the Local Government & Housing Act 1989.**

- (a) **Membership:** The Standards Committee will be composed of:-
- eight Councillors, excluding the Leader and only one of whom may be a member of the Cabinet;
  - four persons who are not Councillors or Officers of the Council or any other body having a Standards Committee (independent members);
  - at least three parish council representatives (who are not members of the Council)
- (b) **Independent Members** – Independent members will be appointed in accordance with guidance issued. Independent members will be entitled to vote at meetings;
- (c) **Chairing the Committee** – The Chairman must be an Independent Member of the Committee and should either have previous knowledge or have received training on standards, regulation and ethical issues.
- (d) **Quorum** – The quorum for a meeting of the Standards Committee shall be three which must include one of the independent members.
- (e) **Training** – In addition to the Chairman’s training outlined above, all members of the Committee should be properly trained to fulfil their role, including awareness of standards, ethics and governance.
- (f) **Sub-committees** –

##### **(i) Terms of Reference of the Referrals Sub-Committee**

###### **As approved by the Standards Committee**

###### **1. Terms of Reference**

- a. The Referrals Sub-Committee is established to receive allegations that a member of the Authority has failed, or may have failed, to comply with the Authority’s Code of Conduct.
- b. Upon receipt of each allegation and any accompanying report by the Monitoring Officer, the Sub-Committee shall make an initial assessment of the allegation and shall then do one of the following:

- i. refer the allegation to the Monitoring Officer, with an instruction that he/she arrange a formal investigation of the allegation, or directing that he/she arrange training, conciliation or such appropriate alternative steps as permitted by Regulations;
- ii. refer the allegation to the Standards Board for England;
- iii. decide that no action should be taken in respect of the allegation; or
- iv. where the allegation is in respect of a person who is no longer a member of the Authority, but is a member of another relevant authority (as defined in Section 49 of the Local Government Act 2000), refer the allegation to the Monitoring Officer of that other relevant authority;

and shall instruct the Monitoring Officer to take reasonable steps to notify the person making the allegation and the member concerned of that decision.

- c. Upon completion of an investigation by the Monitoring Officer, the Sub-Committee shall be responsible for determining whether:
  - i. it accepts the Monitoring Officer's finding of no failure to observe the Code of Conduct;
  - ii. the matter should be referred for consideration at a hearing before the Hearings Sub-Committee of the Standards Committee; or
  - iii. the matter should be referred to the Adjudication Panel for determination.
- d. Where the Sub-Committee resolves to do any of the actions set out in Paragraph 1(b) or 2(c) above, the Sub-Committee shall state its reasons for that decision.
- e. The Sub-Committee shall consider any application received from any officer of the Authority for exemption from political restriction under Sections 1 and 2 of the Local Government and Housing Act 1989 in respect of the post held by that officer and may direct the Authority that the post shall not be considered to be a politically restricted post and that the post be removed from the list maintained by the Authority under Section 2(2) of that Act.
- f. The Sub-Committee shall, upon the application of any person or otherwise, consider whether a post should be included in the list maintained by the Authority under Section 2(2) of the 1989 Act, and may direct the Authority to include a post in that list.

## 2. Composition of the Referrals Sub-Committee

The Referrals Sub-Committee shall comprise 4 members, of whom at least 1 shall be an independent member of the Standards Committee (and one of whom shall chair the Sub-Committee), and at least 2 elected members of the Authority. When the Referrals Sub-Committee considers a matter relating to the conduct of a person in his/her capacity as a Parish or Town Councillor, the Sub-Committee shall also include a Parish or Town Council representative.

## 3. Quorum

The quorum for a meeting of the Sub-Committee shall be 3 members, with an Independent member as Chairman, and at least one elected member of the Council and at least one Parish or Town Council representative when considering a matter relating to the conduct of a member as Parish or Town Councillor.

**(ii) Terms of Reference of the Review Sub-Committee**

**As approved by the Standards Committee**

**1. Terms of Reference**

- a. The Review Sub-Committee is established to review, upon the request of a person who has made an allegation that a member of the Authority has failed, or may have failed, to comply with the Authority's Code of Conduct, a decision of the Referrals Sub-Committee that no action be taken in respect of that allegation.
- b. Upon receipt of each such request and any accompanying report by the Monitoring Officer, the Sub-Committee shall review the decision of the Referrals Sub-Committee and shall then do one of the following:
  - i. refer the allegation to the Monitoring Officer, with an instruction that he/she arrange a formal investigation of the allegation, or specifying that he/she take an alternative action as permitted by Regulations;
  - ii. refer the allegation to the Standards Board for England;
  - iii. decide that no action should be taken in respect of the allegation; or
  - iv. where the allegation is in respect of a person who is no longer a member of the Authority, but is a member of another relevant authority (as defined in Section 49 of the Local Government Act 2000), refer the allegation to the Monitoring Officer of that other relevant authority;

and shall instruct the Monitoring Officer to take reasonable steps to notify the person making the allegation and the member concerned of that decision.

- c. Where the Sub-Committee resolves to do any of the actions set out in Paragraph 1(b) above, the Sub-Committee shall state its reasons for that decision.

**2. Composition of the Review Sub-Committee**

The Review Sub-Committee shall comprise 4 members, of whom at least 1 shall be an independent member of the Standards Committee (and one of whom shall chair the sub-committee), and at least two shall be elected members of the Authority. When the Referrals Sub-Committee considers a matter relating to the conduct of a person in his/her capacity as a Parish or Town Councillor, the Sub-Committee shall also include a Parish or Town Council representative.

**3. Quorum**

The quorum for a meeting of the Sub-Committee shall be 3 members, with an Independent member as Chairman, and at least one elected member of the Council and at least one Parish or Town Council representative when considering a matter relating to the conduct of a member as Parish or Town Councillor.

#### 4. Frequency of Meetings

The Review Sub-Committee shall meet as and when required to enable it to undertake the review of any decision of the Referrals Sub-Committee within 3 months of the receipt of the request for such a review from the person who made the allegation.

### (iii) **Terms of Reference of the Dispensations Sub-Committee**

#### **As approved by the Standards Committee**

##### 1. Terms of Reference

The Dispensations Sub-Committee is established to determine applications from members of the authority and members of other relevant authorities for a dispensation in accordance with the provisions of the Local Government Act 2000 (as amended) and the Standards Committee (Further Provisions) (England) Regulations 2009.

##### 2. Composition of the Dispensations Sub-Committee

The Dispensations Sub-Committee shall comprise 4 members, of whom at least 1 shall be an independent member of the Standards Committee and at least two 2 shall be elected members of the Authority. When the Dispensations Sub-Committee considers an application from a Parish or Town Councillor, the Sub-Committee shall also include a Parish or Town Council representative. The Chairman of the Dispensations Sub-Committee must be an independent member of the Standards Committee.

##### 3. Quorum

The quorum for a meeting of the Sub-Committee shall be 3 members, with an Independent member as Chairman, and at least one elected member of the Council and at least one Parish or Town Council representative when considering an application from a Parish or Town Councillor.

### 9.03 **Role and Function**

The Standards Committee will have the following roles and functions:

- (a) promoting and maintaining high standards of conduct by Councillors, parish councillors and co-opted members, (including church and parent governor representatives);
- (b) assisting the Councillors, parish councillors and co-opted members (including church and parent governor representatives) to observe the Members' Code of Conduct;
- (c) advising the Council on the adoption or revision of the Members' Code of Conduct;
- (d) monitoring the operation of the Members' Code of Conduct;

- (e) advising, training or arranging training in relation to the Code of Conduct;
- (f) granting dispensations to Councillors, co-opted members (including church and parent governor representatives) from requirements relating to interests set out in the Members' Code of Conduct;
- (g) receiving allegations that a member of the Authority has failed, or may have failed, to comply with the Authority's Code of Conduct
- (h) establish sub-committees of the standards committee to make initial assessments of complaints received by the Standards Committee alleging a breach of the Members' Code of Conduct;
- (i) establish sub-committees to consider requests received by the Standards Committee to review decisions to take no action in relation to a complaint made to its sub-committee set out at paragraph (g) above
- (i) dealing with any reports from a case tribunal or interim case tribunal, and any report from the Monitoring Officer on any matter which is referred by a sub-committee of the Standards Committee or an ethical standards officer to the Monitoring Officer and setting up hearings sub-committees to deal with those reports as and when required
- (k) in conjunction with the operation of the Standards Board for England, the Standards Committee will work within the existing policy and procedures for handling of issues relating to probity and matters of an ethical nature.
- (l) consider any application received from any officer of the Authority for exemption from political restriction under Sections 1 and 2 of the Local Government and Housing Act 1989 in respect of the post held by that officer and may direct the Authority that the post shall not be considered to be a politically restricted post and that the post be removed from the list maintained by the Authority under Section 2(2) of that Act
- (m) advising the Council on the appointment of independent members taking account of guidance issued by the Standards Board for England
- (n) selecting and recruiting Parish Council representatives to serve on the Standards Committee taking account of guidance issued by the Standards Board for England

#### 9.04 Audit Committee

The full Council will establish an Audit Committee.

#### 9.05 Composition

##### **Political Balance**

The Audit Committee will be politically balanced, as per the Political Balance Rules in section 15 of the Local Government & Housing Act 1989.

- (a) **Membership:** The Audit Committee will be composed of:
  - six councillors, excluding the Leader and any member of the Cabinet;
  - the Leader and/or any Cabinet Member can be invited to attend by the Chairman and he/she may contribute to the debate, through the Chair, but will not be able to vote;
- (b) **Co-opted Members:** one or more persons can be co-opted to the Committee who are not councillors or officers of the Council. Co-opted members will not be entitled to vote.



## **FUNCTIONS, POWERS AND DUTIES OF STANDARDS COMMITTEE**

### **Delegated Matters (i.e. matters which can be decided (resolved))**

1. To prepare Codes of Conduct for members and employees taking account of national codes and guidance.
2. To submit these Codes for approval by full Council.
3. To ensure that the Codes are understood and implemented throughout the Council and the local community.
4. To monitor the implementation of the Codes and advise Council of any changes that may be desirable.
5. To grant dispensations to councillors, parish councillors and co-opted members (including church and parent governor representatives) from requirements relating to interests set out in the Members' Code of Conduct.
6. To prepare an Anti-Fraud and Corruption Strategy for the Council, submit it to the Council and review it on an annual basis.
7. To instigate a '*whistle blowing*' or Speak Up policy for the Council, and to monitor its operation
8. To receive and investigate/determine allegations of breaches of the members Code (employees to be part of the disciplinary process) in accordance with the provisions of the Local Government and Public Involvement in Health Act 2007 and associated legislation and guidance.
9. To consider and deal with reports relating to issues of conduct referred to the Committee by the Monitoring Officer/Finance Officer both of whom shall have a right of direct access to the Committee.
10. To prepare a Protocol for members/Employee relations within the Council
11. To arrange and/or provide training for Councillors on ethical conduct.
12. Annually review their effectiveness and their terms of reference.
13. To consider any application received from any officer of the Authority for exemption from political restriction under Sections 1 and 2 of the Local Government and Housing Act 1989 in respect of the post held by that officer
14. To Advise the Council on the appointment of independent members taking account of guidance issued by the Standards Board for England
15. To select and recruit Parish Council representatives to serve on the Standards Committee taking account of guidance issued by the Standards Board for England

