



MEMBER CONDUCT ANNUAL REPORT 2020-21

This is the Member Conduct Annual Report of North West Leicestershire District Council's Audit and Governance Committee and covers the period from 1 April 2020 to 31 March 2021.

In addition to the responsibilities detailed in the Terms of Reference below, the Audit and Governance Committee promotes high standards of conduct by District Council Members and Members of Town / Parish Councils in North West Leicestershire. The Audit and Governance Committee complies with the requirements of the Localism Act 2011, the Regulations and the guidance provided under that legislation, together with Council's adopted Arrangements.

On 27 June 2012 Council adopted the North West Leicestershire Code of Conduct for Members which had been drafted by Members for Members. The Code incorporates all the legislative requirements under the Localism Act 2011 in relation to Disclosable Pecuniary Interests together with retaining the personal obligations in existence under the previous regime.

2. Audit and Governance Committee Terms of Reference

Membership: Ten District Councillors

Quorum: Three District Councillors

Terms of Reference during the 2020-2021 financial year:

Statement of purpose

1. The Audit & Governance Committee is a key component of North West Leicestershire District Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
2. The purpose of the Audit & Governance Committee is to provide independent assurance to those charged with governance of the adequacy of the risk management framework and the internal control environment. It provides independent review of North West Leicestershire District Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit arrangements, helping to ensure efficient and effective assurance mechanisms are in place.

Governance, risk and control

3. To review the council's corporate governance arrangements against the good governance framework, including the ethical framework and consider the local code of governance.
4. To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.
5. To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
6. To consider the council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
7. To monitor and provide scrutiny over the effective development and operation of risk management in the council.
8. To monitor progress in addressing risk-related issues reported to the committee such as the Corporate Risk Register.

9. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
10. To review the assessment of fraud risks and potential harm to the council from fraud and corruption.
11. To monitor the Anti-Fraud and Corruption strategy, actions and resources.

Internal audit

12. To approve the internal audit charter.
13. To approve (but not direct) the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
14. To approve significant interim changes to the risk-based internal audit plan and resource requirements.
15. To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
16. To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the head of internal audit. To approve and periodically review safeguards to limit such impairments.
17. To consider progress reports from the head of internal audit on internal audit's performance during the year
18. To consider the head of internal audit's annual report, including the statement of the level of conformance with the Public Sector Internal Audit Standards and the results of the Quality Assurance and Improvement Programme that supports the statement. Fundamental to the annual report is the opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control together with the summary of the work supporting the opinion. These will assist the committee in reviewing the Annual Governance Statement.
19. To consider summaries of specific internal audit reports in accordance with agreed protocols.
20. To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
21. To contribute to the QAIP and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
22. To provide free and unfettered access to the audit committee chair for the head of internal audit, including the opportunity for a private meeting with the committee.

External audit

23. To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised.
24. To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
25. To consider specific reports as agreed with the external auditor.

26. To comment on the scope and depth of external audit work and to ensure it gives value for money.

Financial reporting

27. To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
28. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.
29. To seek assurances that the council has complied with the Treasury Management Strategy and Practices by demonstrating effective control of the associated risks and pursuing optimum performance consistent with those risks.

Accountability arrangements

30. To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.
31. To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
32. To publish an annual report on the work of the committee.

Functions	Matters reserved for a Decision
The Council has determined under the powers conferred on it by Section 28(6) of the Localism Act 2011 to appoint an Audit and Governance Committee and it has the following roles and functions:	To determine any issues referred to the Committee (except for any matter reserved to the Council).
Promoting and maintaining high standards of conduct by councillors and co-optees Assisting the councillors and co-optees to observe the Members' Code of Conduct Advising the Council on the adoption or revision of the Members' Code of Conduct Monitoring the operation of the Members' Code of Conduct Advising, training or arranging to train councillors and co-opted members on matters relating to the Members' Code of Conduct Granting dispensations to councillors who require such dispensations for more than one meeting or on more than one occasion from requirements relating to interests set out in the Members Code of Conduct as appropriate	

<p>Dealing with any report from the Monitoring Officer on any matter concerning Governance</p> <p>To establish Sub-committees for the Assessment of Determination of matters concerning allegations of Members Conduct</p> <p>And in addition the Audit and Governance Committee also oversees the ethical framework of the Council including oversight of:</p> <ul style="list-style-type: none"> • the Whistle Blowing Policy • complaints handling • Ombudsman investigations 	
<p>To exercise the above functions for the parish councils wholly or mainly in its area and the members of those parish councils.</p>	

Sub-committees of the Audit and Governance Committee

All Audit and Governance Committee members will form a pool from which members will be drawn based on their availability and the requirements of the particular Sub-committee as and when required.

Assessment Sub-committee

Assessment of complaints in accordance with the Council's Guidance and to either:

- Accept the Monitoring Officer's recommendation of no failure to comply with the Code of Conduct
- Refer the matter for full investigation
- Refer the matter for other action

Review Sub-committee

Consideration of requests for a review in accordance with the Council's Guidance.

Determinations Sub-committee

To receive reports from the Monitoring Officer or her appointed investigating officer and to decide either:

- To determine finding of no failure to comply with the Code of Conduct
- To determine finding of failure to comply with the Code of Conduct and impose relevant sanctions
- Refer the matter for other action

in accordance with the Council Guidance

3. Composition

District Councillors

All appointed by Council on 23 June 2020

Chairman: Councillor S Gillard
Deputy Chairman: Councillor D Harrison
Councillor C Benfield
Councillor D Bigby
Councillor J Clarke
Councillor M Hay
Councillor K Merrie
Councillor V Richichi
Councillor S Sheahan
Councillor M Wyatt

Parish Representatives

The following parish councillors were appointed as Parish Representatives with effect from 8 September 2020 for the remainder of the Administration (May 2023):

Councillor Patricia Thomas – Ashby Woulds Town Council
Councillor Ray Woodward – Whitwick Parish Council
Councillor Stephen Leary – Measham Parish Council
Councillor Brian Beggan – Ashby Town Council

Independent Persons

The legislation requires the Council to appoint at least one Independent person who potentially advises all those involved in a Standards complaint, including the Monitoring Officer, and who must be consulted prior to the determination of a complaint.

Through an open advertising process conducted with partner authorities the Council appointed the following pool of independent persons from whom one can be drawn as and when required:

Michael Pearson
Mark Shaw
Christine Howell
Gordon Grimes
Richard Gough

The main officer support for the Committee is provided by the Monitoring Officer (Elizabeth Warhurst), the Deputy Monitoring Officer (Kate Hiller) and the Democratic Support Officer (Rachel Wallace).

4. Meetings and Work Programme

The Audit and Governance Committee meets a minimum of four times per annum. In addition to its scheduled meetings, sub committees still meet on an ad hoc basis in order to consider and determine allegations of Member conduct. The Committee has its main work planned in advance through a Work Programme which enables it to be more proactive, strategic and focused in its approach to key issues.

5. Reporting Arrangements

The Audit and Governance Committee receives quarterly reports which have enabled Members to be reminded of the issues it has dealt with during each quarter and address any issues which this has highlighted.

6. Procedures and Workloads

(a) Dispensations

During 2020/21, there were no applications received for a dispensation from either District or Parish members.

(b) Complaints made to the Monitoring Officer under the Code of Conduct during 2020/21

<u>Qtr</u>	<u>Complaint from</u>	<u>About district/parish councillor</u>	<u>Regarding</u>	<u>status</u>
<u>Q1 20/21</u>	<u>Parish cllr</u>	<u>Parish cllr</u>	<u>Comments re using PCs for personal use</u>	<u>Resolved informally 07.07.2020 Q2</u>
	<u>Members of the public</u>	<u>District cllr</u>	<u>34 complaints about comments on social media</u>	<u>Not acting as cllr - Code not engaged 29.06.2020 Q1</u>
	<u>Parish cllr</u>	<u>Parish cllr</u>	<u>Comments in an email</u>	<u>Withdrawn 29.06.2020 Q1</u>
	<u>Member of the public</u>	<u>Parish Cllr</u>	<u>Inaccurate info re risk assessments</u>	<u>No breach of Code 16.09.2020 Q2</u>
	<u>Member of the public</u>	<u>Parish cllr</u>	<u>Comments on social media</u>	<u>Not acting as cllr - Code not engaged 01.07.2020 Q1</u>
<u>Q2 20/21</u>	<u>Member of the public</u>	<u>Parish/District Cllr</u>	<u>Unacceptable behaviour</u>	<u>Withdrawn 06.07.2020 Q2</u> <u>Not a CoC matter</u>
	<u>Member of the public</u>	<u>Parish Cllr</u>	<u>Inappropriate behaviour</u>	<u>Withdrawn 14.10.2020 Q3</u>
	<u>District cllr</u>	<u>District cllr</u>	<u>Comments on social media</u>	<u>withdrawn 14.10.2020 Q3</u>
	<u>District cllr</u>	<u>District cllr</u>	<u>Comments made at Council</u>	<u>Assessment sub committee 14.12.2020 Q3</u> <u>Referred back to MO for further action. Cllr to make statement at Council on 23 Feb 2021 (Q4)</u>
	<u>Member of the public</u>	<u>District cllr</u>	<u>Unacceptable behaviour</u>	<u>Withdrawn 12.02.2021 Q4</u>
	<u>Parish cllrs</u>	<u>Parish cllr</u>	<u>Unacceptable behaviour</u>	<u>1 complaint Resolved informally 03.11.2020 Q3</u> <u>1 complaint passed to the assessment subcommittee 14.12.2020 Q3</u> <u>Referred for investigation due to the complexity of the issues</u>
	<u>Member of</u>	<u>Parish Cllr</u>		<u>Withdrawn</u>

	<u>the public</u>		<u>Breaching Covid regs</u>	<u>13.10.2020</u> <u>Q3</u>
	<u>Member of the public</u>	<u>District cllr</u>	<u>Planning application</u>	<u>Withdrawn</u> <u>05.11.2020</u> <u>Q3</u>
<u>Q3</u> <u>20/2</u> <u>1</u>	<u>District cllr</u>	<u>Parish Cllr</u>	<u>Comments made at PC meeting</u>	<u>Assessment sub committee</u> <u>14.12.2020</u> <u>Q3</u> <u>No further action</u>
	<u>Member of the public</u>	<u>Parish Cllr</u>	<u>Comment made in correspondence</u>	<u>Resolved informally</u> <u>11.01.2021</u> <u>Q4</u>
	<u>Member of the public</u>	<u>District cllr</u>	<u>Unacceptable behaviour</u>	<u>Withdrawn</u> <u>17.11.2020</u> <u>Q3</u>
	<u>Parish cllrs</u>	<u>Parish cllr</u>	<u>Inappropriate behaviour</u>	<u>Not acting as cllrs - Code not engaged</u> <u>16.12.2020</u> <u>Q3</u>
	<u>Member of the public</u>	<u>Parish Cllr</u>	<u>Comments on social media</u>	<u>Not acting as cllr - Code not engaged</u> <u>16.12.2020</u> <u>Q3</u>
<u>Q4</u> <u>20/2</u> <u>1</u>	<u>Member of the public</u>	<u>Parish Cllr</u>	<u>Breaching Covid regs</u>	<u>Initial tests not met</u> <u>06.01.2021</u> <u>Q4</u>
	<u>District cllr</u>	<u>Parish Cllr</u>	<u>Comments made at Parish council meeting</u>	<u>Withdrawn</u> <u>05.02.2021</u> <u>Q4</u>
	<u>Member of the public</u>	<u>Parish cllr</u>	<u>Comments on social media</u>	<u>Withdrawn</u> <u>02.03.2021</u> <u>Q4</u>

(c) Complaints referred to the Standards Assessment Sub Committee

From the above-mentioned complaints: - 3

(d) Members' Register of Interests

The Democratic Services Officers undertake regular checks of the Register of Members' Interests and provide advice and assistance to Parish Councils on the completion of the Registers.

(e) Advice and Training

The Monitoring Officer and Deputy Monitoring Officer continue to provide both parish and district members with advice, both proactively and on request, on member's interests and all aspects of corporate governance.

Following the District and Parish Council Elections in May 2019, training on the Code of Conduct was offered to all District and Parish Members.

Training is also currently being provided to members on all aspects of data protection and freedom of information.

7. Policies & Procedures

The Audit and Governance Committee oversees the ethical framework of the Council including oversight of:

- the Whistle Blowing Policy
- complaints handling
- Ombudsman investigations.
- Freedom of Information and Data Protection
- Anti Fraud and Corruption Policy
- Anti Money Laundering Policy
- Risk Management Policy
- RIPA Policy
- Information Management Policy
- Data Protection Policy
- ICT & Cyber Security Policy
- Local Code of Corporate Governance

Elizabeth Warhurst
Monitoring Officer

Councillor S Gillard Chairman

OUR VISION

North West Leicestershire will be a place where people and businesses feel they belong and are proud to call home