



CORPORATE GOVERNANCE AND AUDIT COMMITTEE

**Meeting to be held in Civic Hall, Leeds on
Wednesday, 30th June, 2010
at 10.00 am**

MEMBERSHIP

Councillors

G Driver (Chair)	C Campbell	P Harrand	J Elliott
P Grahame	G Kirkland	W Hyde	
N Taggart	S Smith		
A Lowe			
J Lewis			
T Hanley			

Co-opted Member

Gordon Tollefson
(Chair of Standards Committee)

A G E N D A

Item No	Ward	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25 of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(*In accordance with Procedure Rule 25, written notice of an appeal must be received by the Chief Democratic Services Officer at least 24 hours before the meeting)</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-</p>	

Item No	Ward	Item Not Open		Page No
3			<p>LATE ITEMS</p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstances shall be specified in the minutes)</p>	
4			<p>DECLARATION OF INTERESTS</p> <p>To declare any personal / prejudicial interests for the purpose of Section 81(3) if the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct.</p>	
5			<p>APOLOGIES FOR ABSENCE</p> <p>To receive any apologies for absence.</p>	
6			<p>MINUTES OF THE PREVIOUS MEETING 23 JUNE 2010</p> <p>To confirm as a correct record the minutes held on 23 June 2010.</p> <p>TO FOLLOW</p>	
7			<p>THE STATEMENT OF ACCOUNTS 2009/10</p> <p>To receive a report of the Director of Resources introducing the 2009/10 Statement of Accounts for Leeds City Council for approval.</p>	1 - 8
8			<p>DECISION MAKING ARRANGEMENTS IN LICENSING</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) responding to the request of the Committee to set out the arrangements in respect of decision-making in Entertainment, Alcohol and Gaming Licensing; and Taxi and Private Hire Licensing.</p>	9 - 18

Item No	Ward	Item Not Open		Page No
9			<p>ANNUAL GOVERNANCE STATEMENT</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) presenting the Committee with the draft Annual Governance Statement for 2010/11 the report provides a commentary to the Council's Annual Governance Statement for 2010.</p>	19 - 34
10			<p>ANNUAL MONITORING OF KEY AND MAJOR DECISIONS</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) This report provides an annual review, as requested by Members at its meeting in February 2010 in respect of the monitoring of Key and Major decisions notified to Democratic Services during the financial year 2009/10.</p>	35 - 42
11			<p>STANDARDS COMMITTEE ANNUAL REPORT 2009/10</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) informing the Committee of the Standards Committee Annual Report 2009/10.</p>	43 - 80
12			<p>ASSURANCE FRAMEWORK</p> <p>To receive a report of the Chief Officer (Audit and Risk) explaining the basis of the Internal Control Assurance Framework, the benefits of having such a framework, and the effect this may have on influencing the work programme of the Corporate Governance and Audit Committee.</p>	81 - 88
13			<p>WORK PROGRAMME</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) notifying and inviting comment from the Committee upon the work programme for the municipal year 2010/11.</p>	89 - 98



Report of the Director of Resources

Corporate Governance and Audit Committee

Date: 30th June 2010

Subject: The Statement of Accounts 2009/10

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose of the Report

1.1 The purpose of this report is to introduce the 2009/10 Statement of Accounts for Leeds City Council for approval. The Statement of Accounts is included with the agenda as a separate booklet for members of the Committee and is published on the Council's intranet site. Anyone else wishing to obtain a copy of the Statement of Accounts should contact the committee clerk named on the front of the agenda.

2.0 Background Information

2.1 The Accounts and Audit Regulations 2003 require the annual accounts to be submitted for approval by the Council or a committee of the Council. There is also a requirement for the accounts to be signed and dated by the Chair of the Committee at which the approval was given. The terms of reference of the Corporate Governance and Audit Committee include dealing with matters relating to the accounts.

2.2 After approval by members, the Authority's accounts are to be made available for public inspection for 20 working days commencing 1st July 2010. The external audit of the approved accounts is due to commence on the 12th July 2010 and upon completion, the auditors will submit their report to this Committee which is scheduled to be at the end of September.

3.0 Main Issues

3.1 The aim of this report is to provide a summary analysis of the accounts to aid members in their understanding of the main financial issues. The report is split into three areas:

- A summary of both the Council's in year financial performance and the financial position as at 31st March 2010.
- An update on the accounting issues impacting on the financial statements.

- An update on the Council's response to external audit issues raised in 2008/09.

Members should note that the accounts include a foreword by the Director of Resources which provides further interpretation of the accounts.

3.2 A Summary of the Council's Financial Position

The following summary of the financial performance of the Council covers:

- The Council's overall performance;
- The performance of statutory ring fenced accounts; and
- The performance of the Group.

3.2.1 The Council's Overall Financial Performance:

- 3.2.1.1 Financial performance for the year:** For 2009/10 the Council's Income and Expenditure Account (I&E a/c) shows a deficit for the year of £212.2m (£645.3m in 2008/09), this deficit is then adjusted to reflect any statutory overrides to accounting practice in order to produce a reported financial position which directly impacts on Council Tax payers. For 2009/10 the statutory overrides amounted to a credit to the I&E a/c of £209.0m, producing a final reported financial deficit for the Council of £3.2m (compared to a deficit of £0.8m in 2008/09). For further details on the impact of statutory overrides see para. 3.3.2 below.

The Council's approved budget for 2009/10 was £556.8m, the final reported outturn deficit of £3.2m therefore represents an overspend of 0.6%. This overspend reflects both the impact of the economic downturn on income levels and the continuing financial pressures on Adult's and Children's Services. The full details of the outturn variations to the approved budget are available in the Executive Board report of the 22nd June 2010.

The published accounts for 2008/09 showed a balance on the General Fund Reserve of £16.1m. However, due to the decision to change the Council's accounting policy in respect of the interest cost (see para 3.3.3 below) a prior period adjustment is required which increases the opening position for the General Fund Reserve to £19.3m. After taking into account the in year deficit of £3.2m, the General Fund Reserve stood at £16.1m as at 31st March 2010. In view of the present uncertain economic circumstances the Executive Board accepted that it was appropriate that the Council maintained this higher level of reserves.

3.2.1.2 Financial Position at the end of the Year:

Overall the value of the Council's assets net of liabilities has fallen by £961m. The main movements on the balance sheet which has resulted in this fall in the value of the Council's net worth are as follows:

- Reduction in long term assets £31m. Including the recognition of new PFI expenditure, the capital expenditure for the year was £350m, £42.7m less than the latest approved estimate. This £350m of capital expenditure increases the carrying value of the Council's long term assets on the Balance Sheet. The carrying value of the Council's assets are then adjusted for the impact of factors such as depreciation, impairment and any disposals charged in year, resulting in this net overall fall in the carrying value of the Council's long term assets.

- Overall debt stands at £1,459m (£1,434m in 2008/09) made up of long term borrowing £1,334m (£1,286 in 2008/09) and borrowing repayable on demand or within one year of £125m (£147m in 2008/09).

The level of overall debt has increased by £25m from 2008/09 and reflects £108m of long term debt repaid during the year of which £88m was prematurely repaid, continuing the policy to move debt between long and short term dependent on the market rates. In addition, in order to meet the funding requirements of the 2009/10 capital programme, £150m of new long term loans were taken, all at favourable rates. £17m of this new long term borrowing was used to replace less favourable short term debt.

In the 2008/09 the Council borrowed £15m in advance of need and loaned out as an investment at favourable rates. In 2009/10 this is required to fund the capital programme and this returning sum is reflected in the fall in investments.

Full details of the Council's Treasury Management activities for the year will be available in the Treasury Management report to Executive Board on the 21st July 2010.

- The amount owed by the Authority for the financial year but not yet paid (current creditors) increased by £29m. The overall carrying value of the Council's creditors is made up of amounts outstanding to the Government and other public bodies of £40m; group entities of £13m; receipts in advance of £118m and individuals and private organisations of £88m. The main reason for the increase in creditors is a reflection of the additional monies the Council has received in advance of the provision of services or capital works compared to 2008/09. This money is held on the balance sheet as a creditor, reflecting the fact that if the work is not undertaken the money will be returned. If the work or service is provided this funding will be matched against the expenditure in the year it is incurred. In respect of creditor payments to individuals and business it is the Council aim to pay such creditors within 30 days and the Council's prompt payment statistics shown an improvement from 2008/09.
- For 2009/10 one of the most significant areas which has impacted on the Council's balance sheet has been in respect of pension liabilities. As at the 31st March 2010 the net pensions liability under FRS 17 stood at £1,473m, an increase in the net liability of £758m from last year. The main factors which have contributed to this increase are:
 - The future pension liabilities held on the balance sheet are discounted back to current prices. Every year these pension liabilities become one year closer to being paid and the accounts therefore reflect the unraveling of one more year of this discount. Consequently the level of pension liabilities rises each year and for 2009/10 this increase amounted to £135m.
 - In addition, the discount rate used for the liabilities is based on the AA Corporate Bond rate. The volatility of the financial markets over the last few years has produced significant variations in this rate. The current financial markets have seen a significant fall in the bond rate with a resulting increase in the current value of the funds pension liabilities of £1,068m.
 - The value of the council's pension fund assets has risen by £450m mainly due to the good performance of the stock markets over the last year.

The overall deficit on the fund represents the difference between the value of the Authority's pension fund assets at 31st March 2010 and the estimated present value of the future pension payments to which it was committed at that date. These pensions liabilities will be paid out over a period of many years,

during which time the assets will continue to generate returns towards funding them. The extent to which the expected future returns on assets are sufficient to cover the estimated net liabilities was considered by the actuaries in their full actuarial review of the Pension Fund, carried out as at 31st March 2007. This concluded that the Pension fund was 90% funded, and set contribution rates for the next three years which are designed to move the fund towards a fully funded position. The final contribution level for the Council remains uncertain with the next full actuarial review due in the current year and the potential impact of the Governments emergency budget.

- The Council recognises the amounts due under PFI and finance leases as deferred liabilities on the Balance Sheet. As at 31st March 2010 the Council's deferred liabilities have increased by £102m, mainly reflecting additional liabilities on new PFI schemes in 2009/10.

3.2.2 **Ring Fenced Accounts:**

- 3.2.2.1 **Schools:** The outturn on the Individual Schools' Budget for the year was £3.3m lower than estimated. This unspent budget has been transferred to school reserves leaving available balances at 31st March 2010 of £17.1m. Net borrowing and repayment from the reserve for VER (£1.7m) and Building Schools for the Future / PFI (£4.8m) reduces these reserves to £10.6m on the balance sheet (£7.4m 2008/09).

In addition schools also have extended school reserves of £4.2m (up from £3.9m in 2008/09). Extended school activity is an initiative to make greater use of school facilities to provide wider community access and provide extended services such as quality childcare, study support activities and parenting support. Such activities are expected to broadly break-even in the medium term and any net surplus or deficit is carried forward to the following financial year.

- 3.2.2.2 **Housing Revenue Account (HRA):** The HRA Income & Expenditure account shows a surplus for the year of £67m. The main reason for this surplus is the reversal of part of the 2008/09 impairment charge as housing prices begin to recover (see para 3.3.2 below). After taking account of statutory overrides, the final position on this account amounted to a deficit of £0.1m. After net transfers from earmarked reserves of £1.0m as approved by the Executive Board on the 22nd June 2010, the HRA had a surplus of £0.9m which was added to the HRA general reserve. A full explanation as to the main variations to budgets contained within these figures is available in the Financial Performance Outturn report presented to the Executive Board on the 22nd June 2010.

Overall the HRA reserves stand at £18.1m as at 31st March 2010 (£18.8m as at 31st March 2009). £4.6m of this sum represents the HRA general reserve; this is deemed to be a prudent level based on the Council's risk based reserves strategy. A further 10.9m is being held to fund the future costs of the Swarcliffe PFI scheme. Full details of the all the HRA reserves are shown in the Statement of Accounts.

- 3.2.2.3 **Collection Fund:** The Collection Fund for 2009/10 generated a deficit of £0.8m (£0.5m surplus 2008/09). This leaves the collection fund in a balanced position with no available reserves as at 31st March 2010 (£0.8m at 31st March 2009). There is no requirement to hold a balance on the Collection Fund reserve but any positive or negative balance must be taken into account when calculating the council tax for the following year.

3.2.3 **Group:**

3.2.3.1 Arms Length Management Organisations (ALMOs): Collectively the three ALMOs showed a surplus position for 2009/10 of £8.7m (£7.0m deficit in 2008/09). The detailed performance figures for each individual ALMO are available in the Statement of Accounts under the Group Accounts section.

The net assets held by the companies to fund the pensions deficit now stand at £37.9m (£22.1m in 2008/09). As at 31st March 2010, the net pension liability for the three ALMOs stood at £41.3m (£11.2m in 2008/09), producing a net liabilities (negative reserves) for the companies of £3.4m (£10.9m positive reserves in 2008/09). The main reasons for this increase in pension liabilities are the same as for the Council (see para. 3.2.1.2 above).

3.2.3.2 Education Leeds: This Council subsidiary made a net operating deficit of £2.4m for 2009/10 (£2.4m deficit in 2008/09). This large deficit mainly reflects the impact of pension liabilities which, unlike Local Government, impact on the Income & Expenditure account. After taking account of the revenue impact of the pensions liability the company made an operating deficit of £0.4m (£0.1m deficit in 2008/09).

The net assets (reserves) held by the company to fund the pensions deficit now stands at £2.6m (£3.2m in 2008/09). As at 31st March 2010, the net pension liability for Education Leeds stood at £64.9m (£22.1m in 2008/09), producing a net liabilities for the company of £62.3m (£18.9m in 2008/09). The main reasons for this increase in pension liabilities are the same as for the Council (see para. 3.2.1.2 above).

A strategic review of the Council's provision of Children's Services was considered at the Executive Board on the 10th March 2010. The Committee agreed that to enable the Council to develop an integrated and more holistic approach to the delivery of children's services the contract with Education Leeds would be terminated on the 31st March 2011. The termination of the contract will lead to the Education Leeds staff being transferred back to the Council along with the assets and liabilities of the company.

3.2.3.3 Impact of the Group entities on the overall financial position: Whilst it should be recognised that the Group entities do not represent a major part of the Council's activities, the Group Accounts do show that they hold a significant level of reserves (£37m). The major reason behind these levels of reserves is to contribute to the pension deficits of the ALMOs (£37.9m).

It should be noted that whilst the Group Accounts show the full scale of the Council's financial activities the ALMO's are limited companies and as such the Council would only be required to contribute £1 if any of them are wound up. The Council does however, act as guarantor for Education Leeds' admittance to the West Yorkshire Pension Fund. Consequently, on termination of the Education Leeds contract, an assessment of the outstanding pensions liability for the company will be made by the Council's actuary and the resulting pension liabilities and assets of the company will be transferred to the Council.

3.3 Accounting Issues Impacting on the Financial Statements:

3.3.1 Changes to Accounting Practice: The accounting practice governing Local Authority accounts has undergone significant changes over the last few years with the aim of harmonising the accounting requirements of the public sector with those of the private sector who are still subject to UK accounting standards. The success of this harmonisation programme means that the Council and its auditors are required to sign off the 2009/10 accounts as a "true and fair view" rather than

“presents fairly”. The “true and fair view” opinion is seen by many, in particular the private sector, as a higher level of accounting compliance.

However even as Local Authorities became compliant with UK accounting Standards, large private sector companies were required to move to compliance with International Financial Reporting Standards (IFRSs). As originally reported to members of this Committee on the 23rd April 2008, the 2007 Budget announcement stated that all Government bodies would also be required to publish their 2010/11 accounts under IFRSs. A further report to this Committee in March 2010, updated members on the progress towards this IFRS implementation and highlighted the requirement for early adoption in 2009/10 of IFRS based accounting practice for PFI transactions.

The 2009/10 accounts now reflect IFRS based accounting practice in respect of PFI schemes, resulting in the recognition of the assets on the Council’s balance sheet along with the associated deferred liabilities. Adoption of IFRS based accounting practice requires the recognition of the transactions from the date the schemes started. Consequently for those PFI schemes which commenced before the 31st March 2009, a prior year adjustment has been made to the comparator figures in the I&E a/c and the Balance Sheet. Therefore the current year only reflects any in year transactions for these older schemes, along with those for any new schemes.

The other major change to the accounting practice for 2009/10 is in respect of the Collection Fund Account. Previously the accounts of the Police and Fire Services only recognised the precept paid by the Council in their accounts. This change to accounting practice recognises that the collection of Council Tax is in substance an agency arrangement and consequently the Police and Fire Services should show their proportion of Council Tax debtors in their accounts. The overall impact of this change only affects the carrying value of accruals recognised on the Council’s Balance Sheet. As this is a change in accounting policy it impacts, not just on the current year, but on 2008/09 as a prior year adjustment.

3.3.2 Impact of the statutory overrides on the Council’s Income & Expenditure Account (I&E a/c): As stated in para 3.2.1.1 above, the Council’s I&E a/c shows a deficit of £212.2m. The two main reasons for this reported deficit are as follows:

As in previous years, proper accounting practice requires the Council to make a depreciation charge to revenue for the use of fixed assets. This charge provides an indication as to the cost the Council will have to incur, through borrowing and repairs and maintenance budgets, in order to maintain the standard of our buildings and other assets. Under statute this revenue charge is reversed and replaced by a Minimum Revenue Provision (MRP). The MRP charge is the minimum amount which it is considered prudent to set aside to repay debt. The depreciation charge for 2009/10 was £143m (£148m in 2008/09), off set by £25m MRP (£24m in 2008/09).

Also under proper accounting practice, if there is any indication that an asset is either being used up, or its value is falling, faster than currently recognised by the rate of depreciation then an impairment charge is made. Normally such impairment charges reflect the reduction in the value of an asset from an incident such as a fire or due to demolition. In 2008/09 the recession had a significant impact on the value of some of the Council’s assets, in particular the value of the Council’s housing stock fell by around 17% (£389m). In 2009/10 further impairment reviews have been undertaken to ascertain if asset values have

continued to fall or whether in some areas the values have begun to recover. Overall the carrying value of the Council's assets was impaired by £280m in 2009/10, reflecting a variety of factors, including demolitions and a general fall in value. This impairment cost has been partly offset by a recovery in house prices which has led to a rise in the value of the authority's council houses of £126m.

The I&E a/c (which includes the Housing Revenue Account) has been charged with the net impact of these changes to impairment. Any potential loss through impairment would only be realised if the asset was sold and as with Council Houses in 2009/10 any future upward revaluation of assets results in a reversal of the impairment entry. Consequently the Government introduced legislation which requires Local Authorities to reverse such impairment charges in the year they incur in order to prevent a disproportionate burden on current taxpayers.

Full details of all the statutory overrides impacting on the Council's I&E account are shown in the accompanying Statement of Accounts (see note 8.1 the Statement of Movement on the General Fund Balance).

- 3.3.3 **Impact of changes to the Council's accounting policies:** Other than due to national changes in accounting practice, it is rare that authorities change their accounting policies. However, under current accounting practice, Councils have an option as to whether they capitalise interest costs on debt associated with assets under construction. The purpose behind this option is that upfront interest costs do not become prohibitive when authorities are building assets over a long period. If the interest is capitalised then the cost will be incurred when the asset becomes operational. As the Council has a number of assets under construction, with significant interest cost, the decision was made to exercise the option in 2009/10. This decision resulted in a £0.6m saving on the in year cost of debt. As this decision is a change in accounting policy it is a requirement of accounting practice that comparator figures for the preceding period are also adjusted. With the agreement of KPMG, this prior period adjustment has resulted in further capitalisation of interest of £3.1m which had previously been charged to revenue. Consequently, as at the 31st March 2009 the carrying value of the General Reserve was amended and stood at £19.2m, with a corresponding increase in the carrying value of the Council's debt.

3.4 External Audit Issues

- 3.4.1 In September 2009, KPMG reported back to this Committee its main audit findings in respect of the 2008/09 accounts. In this report, KPMG informed members of just one area of concern, namely, the need for a robust plan to remedy the deficit position on the Building Regulation charges account.
- 3.4.2 KPMG's Interim Report, which was presented to this Committee on the 23rd June, noted that the Council had informed KPMG that it had a plan in place which it hoped would address this deficit. However, as the Building Control Account is no longer required in the Statement of Accounts, KPMG no longer propose to follow up this issue.
- 3.4.3 KPMG's Interim Audit report also highlighted a number of key risks for the 2009/10 accounts process, along with officers management responses. In compiling these accounts officers have continued to address the issues identified, specifically:
- PFI and similar schemes have been accounted for under International Financial Reporting Standards.
 - The accounts have been reviewed by senior officers to improve the process of quality assurance.

- Bad debt provisions and the ability for bodies to repay Council loans have been reviewed to take account of the current financial climate.

3.4.4 As stated in paragraph 2.2 above, any relevant matters arising from the audit of the 2009/10 accounts are reported back to this Committee in September.

4.0 Implications for Council Policy and Governance

4.1 The Statement of Accounts is an audited publication which provides all stakeholders with the confidence that public money has been properly accounted for and that the financial standing of the Council is on a secure basis.

4.2 As required by the Accounts and Audit Regulations 2003, the accounts are to be made available for public inspection for twenty working days. Local electors and taxpayers have the right to look through the accounts and supporting documentation. They also have the right to object to the accounts and question the auditors.

5.0 Legal and Resource Implications

5.1 The Accounts are required to be approved by the Council or committee of the Council before the end of June. This is a factual report of the Director of Resources on the financial accounts of the Council for 2009/10. There are no additional legal or financial implications.

6.0 Recommendations

6.1 Members are asked to approve the 2009/10 Statement of Accounts and the Chair to acknowledge the approval on behalf of the Committee by signing the appropriate section within the Statement of Responsibilities on page 1 of the accounts.

Background Documents

2009/10 Statement of Accounts (separately distributed to members at the Corporate Governance and Audit Committee on the 23rd June 2010 – Copies available on 23rd June – please contact Phil Garnett 0113 395 1632).

KPMG ISA 260 Report 2008/09

KPMG Interim Report 2009/10

The Code of Practice on Local Authority Accounting in the United Kingdom 2009

Corporate Governance and Audit Reports on International Financial Reporting Standards (23rd April 2008 & 17th March 2010)

Executive Board report (22nd June 2010): Financial Performance – Outturn 2009/10



Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 30 June 2010

**Subject: Decision Making in respect of Entertainment, Alcohol and Gaming Licensing;
and Taxi and Private Hire Licensing**

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

This report responds to the request of the Committee to set out the arrangements in respect of decision-making in Entertainment, Alcohol and Gaming Licensing; and Taxi and Private Hire Licensing.

The Committee is asked to:-

- Note the current arrangements and areas highlighted for improvement; and
- Suggest any improvement to the arrangements, which they consider should be made.

1. Purpose of the Report

- 1.1 At its meeting in June 2009, the Corporate Governance and Audit Committee requested an annual report setting out arrangements and giving assurances for decisions taken by the Council in respect of licensing matters.
- 1.2 This report outlines the arrangements that are in place for Assistant Chief Executive (Corporate Governance) in relation to:
- Entertainment, Alcohol and Gaming Licensing
 - Taxi and Private Hire Licensing
- 1.3 It aims to provide assurances to the Committee as to the operation of the arrangements and processes that are in place, confirming they are accountable, transparent, have integrity, and are effective.

- 1.4 Consideration is also giving to the risk of challenge and the measures in place to mitigate any potential risk and to the programme of continuous improvement to ensure that processes take into account best practices.

2. Background Information

- 2.1 The regimes for dealing with licensing in the fields of entertainment, alcohol, and gaming; and taxi and private hire licensing are statute based and for the most part the considerations which apply to applications are prescribed in legislation.
- 2.2 Appendix 1 sets out the range of decision which are taken by the authority in respect of Licensing Decisions other than in relation to Taxi and Private Hire matters; and Appendix 2 sets out the range of decisions taken in respect of Taxi and Private Hire. Those Appendices set out the arrangements for making the decisions. Appendix 3 sets out statistical detail of decisions taken in respect of entertainment licensing matters. Similar statistics are not currently available in respect of taxi and private hire matters, because of current Information Technology issues.
- 2.3 Although the two regimes are dealt with together in this single Report there are significant differences between them. Most fundamentally the Entertainment, Alcohol and Gambling applications are essentially dealt with 'in public' whereas the taxi and private hire applications are dealt with 'in private'. The former are publicized and where contested are referred to Members, whereas the latter are dealt with, initially at least, on a confidential basis.

3. The Decision Making Framework

- 3.1 This Section looks at the framework within which the decision-making occurs.
- 3.2 Part 2 of the Local Government Act 2000 ("the Act") provides for the discharge of a local authority's functions by an executive of the authority unless those functions are specified as functions that are not to be the responsibility of the authority's executive. The Local Authorities (Functions and Responsibilities)(England) Regulations 2000 ("the Regulations"), as amended, specify functions that are not to be the responsibility of the authority's executive or are to be the responsibility of such an executive only to a limited extent or only in specified circumstances.
- 3.3 Paragraph B of Schedule 1 of the Regulations relates to Licensing and Registration functions (in so far as not covered by any other paragraph of the Schedule). A copy of the Schedule is attached as Appendix 1 to this Report. It will be noted that the Schedule provides, amongst other things that the following are not to be the responsibility of an Authority's Executive –
- 3. Power to license hackney carriages and private hire vehicles
 - 4. Power to license drivers of hackney carriages and private hire vehicles
 - 5. Power to license operators of hackney carriages and private hire vehicles
 - 11. Power to grant permits in respect of premises where amusements with prizes are provided
 - 14. Power to issue entertainments licences
 - 14A. Functions relating to licensing (section 5 to 8 of the Licensing Act 2003.
 - 14AC Functions relating to occasional use notices
 - 14B Power to resolve not to issue a casino premises licence
 - 14F Functions relating to the determination of fees for premises licences

- 15 Power to licence sex shops and sex cinemas
- 19. Power to register door staff
- 21. Power to licence night cafes and take-away food shops

3.4 Section 6 of the Licensing Act 2003 provides that (1) each licensing authority must establish a licensing committee consisting of at least ten, but not more than fifteen, members

3.5 The Constitution of the Council sets out in Part 3 the above allocation of responsibility and at pages 81 and 82 provides –

Council (non-executive) Functions	Decision making body	Delegation of functions to Officers (to the extent set out in Section 2C)
Functions relating to licensing.	Licensing Committee	
Taxi, gaming, food and miscellaneous licensing Functions relating to licensing and registration (other than in relation to highways and under the Licensing Act 2003)	Licensing and Regulatory Panel	Director of Environment and Neighbourhoods and Chief Officer (Environmental Services) Director of City Development Assistant Chief Executive (Corporate Governance)

3.6 Part 3 Section 2B of the Constitution sets out the Terms of Reference of the Licensing Committee, The Licensing Sub-Committees and the Licensing and Regulatory Panel.

3.7 As is noted at footnote 4 to the Terms of Reference of the Licensing Committee there is the power of delegation to officers with some exceptions.

3.8 As is noted at footnote 1 to the Terms of Reference of the Licensing Sub-Committees there is the power of delegation to officers with some exceptions.

3.9 As is noted at footnote 1 to the Terms of Reference of the Licensing and Regulatory Panel there is the power of delegation to officers with some exceptions.

3.10 Section 2C of the Constitution sets out the Officer Delegation Scheme (Council (Non-Executive) Functions). The delegations to the Assistant Chief Executive (Corporate Governance) is attached. It will be noted that there are a number of delegations in relation to Licensing and Regulatory matters. As is set out in footnote 3 the fact that a function has been delegated to the Assistant Chief Executive (Corporate Governance) does not require the Assistant Chief Executive to give the matter his/her personal attention and the Assistant Chief Executive (Corporate Governance) may arrange for such delegation to be exercised by an officer of suitable experience and seniority. However the Assistant Chief Executive (Corporate Governance) remains responsible for any decision taken pursuant to such arrangements.

- 3.11 The Assistant Chief Executive (Corporate Governance) has prepared a sub-delegation scheme. This clearly sets out which officers are authorized to take which decisions, although the Assistant Chief Executive (Corporate Governance) retains overall responsibility for the decision making.
- 3.12 The Constitution (Part 3 Section 5) sets out the arrangements for recording decisions taken by officers under delegated powers. It provides that upon making a decision relating to the exercise of a Council function, the officer, in appropriate circumstances, must provide the Chief Democratic Services Officer with a completed Delegated Decision Notification within two clear working days of the date of taking the decision. The Chief Democratic Services Officer will maintain a record of all such decisions, including any report upon which each decision was made and, subject to any requirement for confidentiality, will ensure that the record of decisions is available for public inspection during all normal office hours and that the public has the right to copy or to be provided with a copy of any part of that record upon payment of a reasonable copying and administrative charge. There is no requirement to maintain a record of Administrative Decisions for the purpose of Councillor or public access, or to report Administrative Decisions to a committee. However, officers are responsible for retaining a record of Administrative Decisions which they take and the reasons for such decisions sufficient for audit and evidential purposes, and for ensuring that all those who need to know are informed promptly of the decision.
- 3.13 Principle 4 of the Council's Code for Corporate Governance provides that the Council should take informed and transparent decisions, which are subject to effective scrutiny and risk management.

4. Officer conflicts of interest

- 4.1 Officers must follow the officer code of conduct and any other rules or requirements in relation to personal conflicts of interest which apply to them. All decision making officers are required to complete a register of interests.
- 4.2 Decision-making officers are aware of the need to ensure that there can be no suggestion that they have exercised bias in their decision-making, for whatever reason (including as a result of a conflict of interest). However whereas there are clear checks and balances in place which safeguard bias, or apparent bias against an applicant (complaints and appeals processes; see later) it is considered that there needs to be introduced additional safeguards to guard against bias in favour of (an unmeritorious or inappropriate) applicant. Consideration is now being given as to introducing a proportionate regime to address this potential issue. At the very minimum a strengthening of the Quality Procedure and officer training would appear to be required.

5. Ensuring Best Practice

- 5.1 Every officer in Legal Licensing and Registration is appraised annually and they have a mid-year appraisal review. As part of their appraisal a Personal Development Plan is drawn up which identifies development areas for officers, relevant to their role.

- 5.2 Before taking up a role on a licensing panel every councillor is trained in the basics of the various regimes and in the committee process. From 2010 training is compulsory for licensing Members under article 8A of the constitution.
- 5.3 Additionally ad hoc training has been provided in the past on new legislation (e.g. the Gambling Act) as well as refreshers where required e.g. this year a session on review and appeals under the Licensing Act 2003 was run.
- 5.4 For the 2010/11 municipal year links have been established with Member development. One new Councillor is receiving training on the basics in Kirklees and because there are new powers relating to Sex Establishments (lap dancing) a training session is being provided regionally for the Members. It is also intended to put on a licensing update session in the autumn (which will become an annual event) as well as specific training in relation to the casino, which will occur nearer to the date that the authority will licence this.
- 5.5 A series of Guidance Notes have been provided in respect of matters dealt with in relation to Entertainment Licensing. A similar set of Guidance Notes have now been produced in respect of Taxi and Private Hire Licensing which will shortly be distributed.
- 5.6 There is a Code of Practice for Determining Licensing Matters contained within Part 5 the Constitution. This is due an extensive re-write following consideration of all local codes and protocols by Member Management Committee. Consideration is being given as to whether there should be a compulsory annual update.

6. Quality of Service and Continuous improvement

- 6.1 The Entertainment Licensing and Taxi and Private Hire Licensing Sections are both accredited to ISO 9001: 2000 British Standard. They have in place Quality Procedures which set out the methodology for dealing with applications. The Quality Procedures are audited both by internal and external auditors. In the May 2010 external audit the systems for entertainment licensing enforcement and inspection were checked as well as a number of new premises applications, scrap metal dealer licences and new gambling premises licence applications. As well as ensuring that procedures are adhered to the audits identify by way of 'observations' areas where there is a need for improvement. In the May 2010 Audit suggested improvements were made to the procedure relating to Enforcement and Inspections.
- 6.2 Taxi and Private Hire were not subject to an external audit in May 2010 but were the subject of a comprehensive internal audit in February 2010. That found that in relation to processing private hire and hackney carriage drivers licence applications "all systems and files were up to date and correct".
- 6.3 In addition to accreditation under ISO 9001:2000 Entertainment Licensing and Taxi and Private Hire Licensing operate within the Performance Management Regime of Legal, Licensing and Registration. Under that regime a monthly report is prepared by each Section for consideration by the Service's Management Team.
- 6.4 The Monthly Performance Management Report measures and records customer and member Evaluation and considers complaints and compliments received. Entertainment Licensing records the percentage of customers who found the service friendly and efficient; and the percentage of customers who found the information helpful and easy to understand. The Sections both draw to the attention of

Management 'High Risk Areas'. Successes, including the outcome of Court proceedings are included in the Report. A client satisfaction survey was carried out by taxi and private hire licensing during January and February 2010 which indicated an overall satisfaction rate of 79%.

7. Monitoring and Review

Management Review

- 7.1 The Section Heads responsible for the Sections dealing with the licensing activity described in this report are appraised, monitored and reviewed by a Head of Service. 1-2-1 review meetings take place on a monthly basis.
- 7.2 Procedures require that a report be prepared for the panel/committee on the outcome of every appeal case in respect of a decision made by the panel/committee. That report will highlight any lessons that need to be learned from the outcome.
- 7.3 However it is recognised that no reports are prepared where appeals are against officer decisions rather than Member decisions. That applies to all the Taxi and Private Hire Appeals. External solicitors are instructed to conduct these appeals and although anecdotal evidence suggests that the success rate is in the region of 95% it is recommended that this should be reported formally on an annual basis to Members and that accurate statistics are kept.

Complaints (and compliments)

7.4

COMPLAINT ANALYSIS January 2010 - June 2010

Service	No of Complaints at Stage 1	Number Upheld	Number partially Upheld	Number of Complaints at Stage 2	Number Upheld
Taxi & Private Hire	8	0	2	0	0
Entertainment and Licensing	1	0	0	0	0

Set out above is detail of the complaints received to-date in 2010 under the Council's Corporate Complaints Policy. None of the complaints set out have been referred to the Ombudsman, although exceptionally that does occur and a complaint from 2009 has recently been adjudicated upon by the Ombudsman and not upheld.

Appeals

- 7.5 There is court oversight of the decision-making and the re-hearing appeal process is straightforward and accessible.

APPEAL ANALYSIS 2008 – to-date

Service	No of Appeals	Won by Council	Lost by Council	Withdrawn by Appellant	Settled
Entertainment and Licensing	13	8	1	2	3

There have been 32 appeals relating to taxi and private hire decisions in the same period although comparable statistics are not currently available. Reference is made to the appeals statistics is referred to above in paragraph 7.3.

- 7.6 There is the possibility of bringing Judicial Review proceedings to challenge any decision on the basis of illegality, irrationality or unfairness or procedural impropriety. One such challenge was brought last year but was successfully resisted.

8. Implications for Council Policy and Governance

- 8.1 The delegation of decision making to officers is necessary to enable the Council to function. The Scheme of Delegation is such that members ultimately control the extent of the delegation. There are no council or policy implications arising as a result of any recommendations contained in this report.

9. Legal and Resource Implications

- 9.1 There are no legal or resource implications arising as a result of any recommendations contained in this report.

10. Conclusions and Recommendations

- 10.1 The Committee will note that there are in place robust arrangements, which are generally accountable, transparent, have integrity and have to-date proved effective. In regard to entertainment licensing members currently have a significant input into the decision-making process and into the oversight of those processes. The Report however highlights areas for improvement in paragraphs 4.2, and 7.3
- 10.2 Members are asked to note the content of the Report and suggest any further improvements to the arrangements, which they consider should be made.

APPENDIX 1

Licensing Decisions (other than taxi and private hire)

Licensing Act 2003 and Gambling Act 2005 applications

Uncontested applications are automatically granted – no decision taken

Contested applications are taken to a Licensing Committee sub-committee except for minor variations

Licensing Act 2003 Minor Variations

Applications are decided by officers

To licence sex shops and cinemas

New applications go to Licensing and Regulatory Panel

Contested renewals go to Licensing and Regulatory Panel

Uncontested renewals are decided by officers

To licence scrap yards

No decision made – this is a registration only and is effectively an entry in the register

To approve premises for the solemnisation of marriages

New and renewal applications that are uncontested and uncontentionous are decided by officers

Contested or contentious applications are taken to Licensing and Regulatory Panel

To licence persons to collect for charitable and other causes

New applications that are uncontested and uncontentionous are decided by officers

Contested or contentious applications are taken to Licensing and Regulatory Panel

To register motor salvage operators

Uncontested applications are decided by officers

Contested applications are taken to Licensing and Regulatory Panel

To impose conditions, limitations or restrictions on above permissions

Decision made by officer (where allowed in the legislation), recorded as part of the licence/permit.

To determine any terms to which they are subject on the above permissions

Decision made by officer (where allowed in the legislation), recorded as part of the licence/permit.

To determine whether and how to enforce any failure to comply

Decision made by officer (where allowed in the legislation), recorded as part of the licence/permit.

To amend, modify, vary or revoke

Decision made by officer (where allowed in the legislation), recorded as part of the licence/permit.

Details of the above decisions are recorded and countersigned on a checklist attached to the file and also on Uniform, a Council database.

APPENDIX 2

Taxi and Private Hire Licensing Matters

Licensing and Regulatory Panel decide on policy issues for taxi & private hire licensing. Examples include (but are not limited to): -

- Conditions for licences (driver, vehicle, proprietor, operator)
- Unmet Demand Survey (i.e. number of hackney carriages to be licensed in Leeds)
- Vehicle Age Criteria (condition on vehicle licence)
- Requirement on drivers to undertake NVQ/VRQ qualifications

Decisions taken by officers

- Grant, suspension or revocation of licences
- Sanctions applied to drivers as a result of enforcement action (verbal, written or final warnings)
- Failure items/Defects/Non compliance with conditions found on vehicle inspections
- Decision to report for prosecution
- Approval of new vehicles to the approved list of vehicles
- Approval of hackney carriage tariff meters
- Approval of corporate advertising on hackney carriages
- Approval of CCTV equipment
- Approval of driver safety shield equipment
- Formal Home Office Cautions are issued by Enforcement Officer and above.

The above decisions are recorded as follows -

- Grant, suspension, revocation or any other sanction against licence holders is recorded on the licence holder's file.
- Failure items/Defects/Non compliance with conditions found on vehicle inspections are recorded on the vehicle licence file
- Decision to report for prosecution is recorded on the relevant licence file and legal prosecution file
- Approval of new vehicles is done by DDN form and recorded by Governance Services in Democratic Services
- Approval of corporate advertising on hackney carriages is an administrative decision recorded on the proprietor's licence file.
- Approval of tariff meters, CCTV, safety shields, etc are considered administrative decisions and recorded in the relevant files held at the Section

APPENDIX 3

Decisions Made In respect of Licences since 01/04/2006

Licence Type	Number of Automatically Granted uncontested applications (where relevant)	Number of Officer Decisions (Where Relevant)	Number of Committee Hearings
Premises Licence / Club Premises Certificates (Grant and Variation)	2,035		435
Transfer of a Premises Licence	1,187		0
Change of Designated Premises Supervisor	2,682		8
Review of a Premises Licence			33
Premises Licence/Club Premises Certificate Minor Variation		55	
Personal Licence	4,984		10
Temporary Event Notice	5,868		9
Gambling Premises Licence (Grant, Variation, Transfer and Provisional Statement)	135		6
Machine and Gaming Permits for pubs and clubs	267		0
AWP 34 5E (Amusements with Prizes Permit)		1	0
Prize Bingo Permit		3	0
Lotteries Registration (GA 2005 and GA 1968)	733		0
Scrap Metal Dealers Registration	26		0
Motor Salvage Operators Permit		14	0
Wedding Venue Licence		52	0
Street Collection Permit		501	1
House to House collection permit		20	0
Sex Establishment Licence		3	3
Hypnotist Permit		0	1
Totals:	17,917	649	506



Originator: Laura Ford

Tel: 51712

Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 30th June 2010

Subject: Interim Annual Governance Statement 2010

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1. This report introduces the interim Annual Governance Statement for 2010, which forms an integral element of the annual accounts. The full Statement is attached at Appendix 1.
2. Members are asked to approve the attached interim Annual Governance Statement in order that it can be included with the annual accounts, approval of which is also being sought at this meeting. Members are also asked to note that the Statement will be updated as necessary following this meeting, and the final version of the Statement will be presented to the Committee at its meeting to be held on 29th September 2010.

1.0 Purpose Of This Report

- 1.1 The purpose of this report is to provide an introduction and commentary to the Council's interim Annual Governance Statement for 2010.
- 1.2 The Annual Governance Statement is an audited public statement on the adequacy of the Council's governance arrangements and will form an integral element of the annual accounts. On the basis of the assurances given in the Statement the Leader of the Council, the Chair of the Corporate Governance and Audit Committee, the Chief Executive and the Assistant Chief Executive (Corporate Governance) sign the document on behalf of the Council.

2.0 Background Information

- 2.1 The preparation and publication of an Annual Governance Statement is necessary to meet the statutory requirement set out in Regulation 4(2) of the Accounts and Audit Regulations 2003¹ which requires authorities to conduct a review at least once in every year of the effectiveness of its system of internal control in accordance with proper practices.
- 2.2 From 2007/08 those proper practices were defined within the Framework (and supplement) for Delivering Good Governance in Local Government issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE). The Statement contained at Appendix 1 has been produced in compliance with those defined practices.

3.0 Main Issues

Production of the Annual Governance Statement

- 3.1 A new approach to collating assurances from governance lead officers has been introduced this year, which has been overseen by the Corporate Governance Board. The Leeds Governance Framework has been reformatted as a RACI matrix which cross references activities under each of the principles of the Code of Corporate Governance with a responsible lead officer.
- 3.2 Assurance templates were then created for each lead officer listing each of their designated activities, and asking them to describe the arrangements in place, whether they are current and fit for purpose, effectively communicated, embedded and routinely complied with. The lead officer is also asked to provide an opinion on the level of assurance, list any significant issues and describe how these issues have been addressed or will be addressed in the coming year. The significant issues highlighted by lead officers and the corresponding actions have been included in Section 3 of the Statement. As this was the first time this approach has been taken, only governance lead officers were asked to complete a template. Consideration is being given to Directors, Chief Officers with concurrent delegations and the Council's subsidiaries being asked to complete an assurance template in 2010/11.

Commentary on the Leeds City Council Annual Governance Statement

- 3.3 The interim Annual Governance Statement is attached at Appendix 1 of this report and, once approved, will be contained within the annual accounts. The Statement is formatted as follows:
- Section 1 – Scope of Responsibility;

¹ As amended by the Accounts and Audit (Amendment) (England) Regulations 2006.

- Section 2 – The Council’s Governance Framework;
- Section 3 – Opinion Statement from the Assistant Chief Executive (Corporate Governance); and
- Section 4 – Assurance Summary.

Approval of the Annual Governance Statement

- 3.4 The Annual Governance Statement should be approved at a meeting of the Council or delegated committee – in this case Corporate Governance and Audit Committee.
- 3.5 The timetable for the production of the final accounts has driven the Annual Governance Statement approval timetable. Therefore, approval of the interim Annual Governance Statement is sought today in order that it can be included with the annual accounts. The Statement will then be updated as necessary and the final version will be presented to the Committee at its meeting to be held on 29th September 2010. The Committee will also be asked to recommend that the Leader of Council, Chair of Corporate Governance and Audit Committee, Chief Executive and Assistant Chief Executive (Corporate Governance) sign the final Statement on behalf of the Council.

4.0 Implications For Council Policy And Governance

- 4.1 The Annual Governance Statement is a core element of the Council’s corporate governance arrangements.

5.0 Legal And Resource Implications

- 5.1 The Statement is a necessary requirement of the Accounts and Audit Regulations 2003. The statement is an audited public statement on the adequacy of the Council’s governance arrangements and will form an integral element of the annual accounts.

6.0 Conclusions

- 6.1 From the review, assessment and on-going monitoring work undertaken², the interim Annual Governance Statement illustrates that key systems are operating soundly and that there are no fundamental control weaknesses.
- 6.2 However no system of control can provide absolute assurance against material misstatement or loss; the Annual Governance Statement therefore is intended to provide reasonable assurance. There is an on-going process for identifying, evaluating and managing the key risks. These risks are reflected in the audit plan and are the subject of separate reports during the course of the year.

7.0 Recommendations

- 7.1 Corporate Governance and Audit Committee is recommended to:
- approve the attached interim Annual Governance Statement in order that it can be included with the annual accounts; and
 - note that the Statement will be updated as necessary following this meeting, and the final version will be presented to the Committee at its meeting to be held on 29th September 2010.

² By the Corporate Governance and Audit Committee, the Standards Committee, the Corporate Governance Board and those internal and external audit and inspection agencies which provide an overview of the Council’s operations

Background Documents

Framework for Delivering Good Governance in Local Government, CIPFA and SOLACE

Leeds City Council's Code of Corporate Governance

Accounts and Audit (England) Regulations 2003



Interim¹ Annual Governance Statement 2010

1.0 SCOPE OF RESPONSIBILITY

- 1.1 The Council is responsible for ensuring that its business is conducted in accordance with law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has 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.
- 1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.3 The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. This statement explains how the Council has complied with the Code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

2.0 THE COUNCIL'S GOVERNANCE FRAMEWORK

- 2.1 The Council's governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether these objectives have led to the delivery of appropriate, cost effective services.
- 2.2 The governance framework is designed to manage risk to a reasonable level, rather than to eliminate all risk. It can therefore only provide reasonable and not absolute assurance of effectiveness.
- 2.3 The governance framework, as evidenced by the Leeds Evidence Framework, has been in place at the Council during the year ended 31 March 2010 and up to the date of approval of the annual accounts. Maintaining the system is an on-going process, and one to which the authority is committed in order to ensure continual improvement and organisational learning.

¹ The final version of the Annual Governance Statement will be approved by the Corporate Governance and Audit Committee on 29th September 2010.

- 2.4 In the municipal year 2009/10, the Council appointed three Committees with responsibility for overseeing the Council's governance arrangements, namely the General Purposes Committee, Corporate Governance and Audit Committee and the Standards Committee, all of whose Terms of Reference are within the Council's Constitution. These Committees received reports throughout the year regarding the authority's internal control environment.
- 2.5 The work of the governance Committees is supported by the Corporate Governance Board which is comprised of officers and is chaired by the Assistant Chief Executive (Corporate Governance). The Board maintains an overview of the Council's Governance Framework by receiving reports on various governance related matters and supporting the work programmes of the Committees.

3.0 OPINION STATEMENT FROM THE ASSISTANT CHIEF EXECUTIVE (CORPORATE GOVERNANCE)

- 3.1 As part of an improved process, this opinion is informed by the External Audit and Inspection reports received by the Council, issues arising from the work programme of the Council's Governance Committees and Scrutiny Boards, and assurances provided by governance lead officers. Any significant governance issues that have been identified are highlighted below, with a description of the action that will be taken in order to address the issue.

External Audit and Inspection Reports

Comprehensive Area Assessment

- 3.2 The inspection reported that child protection referrals do not ensure that children are adequately safeguarded, discussions between the Council, police and other agencies do not take place quickly enough and children are not always seen, even where there are concerns about their safety. Key procedures were also found to be out of date and record keeping to be poor.
- 3.3 The inspection recognised that action has already been taken with partners, including improving the leadership and management in Children's Services, implementing a Child Protection Enquiry process and starting a process to improve and quality assure decision making processes. However, the inspector felt that it was too soon to judge whether these actions are enough to ensure that vulnerable children in Leeds are safe from harm.
- 3.4 The inspection reported that burglary rates in Leeds are amongst the highest in the country, and in some parts of Leeds, they are three times the national average.
- 3.5 The inspector acknowledged that there has been some recent improvement, but reported that this trend must continue over a longer period to deliver the very big improvements which are needed to reduce the wide gap between Leeds and similar areas.

- 3.6 Within the Organisational Assessment, Leeds was found to be performing adequately overall. The following scores were received:

Managing performance	2 out of 4
Use of resources	3 out of 4
Managing finances	3 out of 4
Governing the business	2 out of 4
Managing resources	3 out of 4

- 3.7 It was decided that the score should be that overall Leeds performs adequately rather than well because of the weaknesses in keeping children and young people safe.
- 3.8 In relation to Managing Performance, the Council was found to have responded slowly to concerns about the safeguarding of children and young people. The inspection also found that there was some way to go in tackling some of the long term problems facing the City, such as worklessness, poor housing and health.
- 3.9 In relation to Use of Resources, the Council was found to have good information about its money, and be good at managing its money and making savings, managing its risks and use of natural resources. However, the Council could not show consistently the benefits of what it does for Leeds residents.

Annual Unannounced Inspection of Contact, Referral and Assessment Arrangements within Children's Services

- 3.10 Some strengths were identified, such as teams being fully staffed by qualified workers, managers speaking positively about working for Leeds City Council, and the management team's quick response to concerns. Several areas for development were also identified, including two areas for priority action, as follows:
- the need to ensure that the response to child protection referrals meets statutory guidance and ensures that children are adequately safeguarded; and
 - the need to address cases where children are identified as having being left at potential risk of serious harm.

Children's Services Annual Rating

- 3.11 Leeds received a score of 1 (performs poorly), which was due to significant weaknesses in areas of social care provision. The findings of the unannounced inspection have also contributed to this rating.
- 3.12 However, the overall effectiveness of the majority of the Council's inspected and regulated services and provision were found to be good or better, including performance in pupil referral units and the sixth form college, and childminders and childcare settings.

Inspection of Safeguarding and looked after Children's Services

- 3.13 A total of 33 ratings were given as part of this inspection, 10 of which were 'inadequate', 17 were 'adequate' and 6 were 'good'. Several areas for immediate improvement were highlighted, including:
- Accelerate plans to introduce a comprehensive performance management and quality assurance framework to support casework practice relating to contacts, referrals and assessments;
 - Improve the timeliness and quality of social work responses for assessments, case planning and recording, including the analysis of risk, to meet minimum standards; and
 - Review the level of resource made available to deliver key social work tasks for the looked after children's service so that a sufficient professional social worker capacity is provided to meet the demand for service.

Annual Performance Assessment of Adult Social Care

- 3.14 The Council was judged to be performing well overall. The inspector found that the Council has worked to improve its safeguarding systems and processes since the Independence, Wellbeing and Choice inspection undertaken in 2008. No serious failings were found, however several areas for improvement were identified, including:
- The Council should continue to embed its safeguarding arrangements and evidence the impact of these improvements.

East North East Homes Leeds

- 3.15 The ALMO was first inspected in 2008 when it received a 'fair', one star rating, with 'promising' prospects for improvement. As it received a one star rating, the ALMO was re-inspected in 2009 and received a 'good', two star rating, with 'promising' prospects for improvement. A number of strengths were found, such as the accessibility of front line services and the robust approach to dealing with the safeguarding of vulnerable adults and children, hate crime and abuse.
- 3.16 Some areas for improvement were also identified, including:
- there is a weak strategic approach to access, customers have to chase-up too many enquiries and complaints handling is still slow;
 - the ALMO has been slow to market test its repair and maintenance services and it cannot demonstrate that its plans for doing so will deliver optimal VFM; and
 - the Council's failure to charge the economic costs of delivering services means some customers are subsidising services provided to others, its policies mean some customers have received improvement work to a lower standard than others, and the Council equipment in use in sheltered housing schemes is not fit for purpose.

West North West Homes Leeds

- 3.17 West North West Homes Leeds was first inspected in late 2008 and received a 'fair', one star rating. The ALMO was re-inspected in 2010 and received a 'good', two star rating with 'promising' prospects for improvement. Several

strengths were noted, including robust approaches to addressing hate crime, domestic abuse and safeguarding vulnerable people, the improvement programme is customer focused and well managed, and will bring the ALMO's rented properties up to the Decent Homes Standard by December 2010, and value for money principles are embedded in the culture of the organisation and significant efficiencies have been made.

- 3.18 Some areas for improvement were also identified, including:
- there are some weaknesses in how tenancy management and lettings procedures work in practice;
 - the recent strategic review of access arrangements was not comprehensive; and
 - some customers wait too long for adaptations to be made and service take up is low among black and minority ethnic groups.

Aire Valley Homes Leeds

- 3.19 Aire Valley Homes Leeds was inspected in 2008 and was assessed as providing a 'good' two star service with promising prospects for improvement, therefore it has not been re-inspected during 2009/10.

Audit of Accounts 2008/09

- 3.20 The Council's accounts were produced in accordance with the statutory timetable and were open for public inspection for 20 working days from 1st July 2009.
- 3.21 The external auditors, KPMG, are required to report audit matters to those charged with governance under International Standards on Auditing (ISA 260). For the financial year 2008/09, the report delivered an unqualified opinion on the accounts. In addition the report recommended one area for improvement, namely the need for a robust plan to remedy the deficit position on the Building Regulation charges account. The report also stated that the majority of recommendations raised in previous years have been implemented, but further work was still required on the timely reconciliation of school bank accounts. These have been resolved during the year to KPMG's satisfaction.

Annual Audit and Inspection letter

- 3.22 The letter stated that the Council has sound arrangements and clear outcomes in five sub-themes (out of nine) and the Council is assessed as level 3 (performing well). The letter also stated that the audit of financial statements went very smoothly and an unqualified opinion was given on the statements and on arrangements for securing value for money.

Findings of the Local Government Ombudsman (LGO)

- 3.23 The Corporate Governance and Audit Committee received the annual letter from the Ombudsman for 2008-2009 at its meeting on 30th September 2009.
- 3.24 The letter showed that the number of complaints received was roughly in line with the volume of complaints received last year and in previous years.

- 3.25 Within the letter the Ombudsman drew attention to the need to continue to focus on issues of consistency in collecting and responding to evidence, in relation to anti-social behaviour complaints.

Matters Considered by the Council's Governance Committees

Corporate Governance and Audit Committee

- 3.26 Throughout the year, the Corporate Governance and Audit Committee has received a variety of reports regarding the governance arrangements in place across the Council. The Committee has raised particular concern in relation to the outcome of the inspection of safeguarding and looked after children's services, and requested that further reports be submitted to provide assurance that:
- the arrangements described in response to the inspection are operating as intended; and
 - the wider corporate directorate governance adopted by the authority enables early warning of possible severe failure, rather than relying on inspections by external bodies.
- 3.27 The Committee has also received several reports in relation to the governance arrangements of the Leeds City Region and Children's Trust arrangements, as well as the annual letter from the Local Government Ombudsman which recommended that the Council should review the way in which it responds to complaints about antisocial behaviour.
- 3.28 The Corporate Governance and Audit Committee produces an Annual Report on its work, which will be considered by full Council in July 2010.

General Purposes Committee

- 3.29 The General Purposes Committee has considered reports including proposals for the adoption of revised Executive arrangements and the annual review of the Constitution. However, no significant governance issues have been raised by the Committee during 2009/10.

Standards Committee

- 3.30 The Standards Committee has considered the results of the ethical governance based questions on the Staff Survey, and concerns were raised that only 68% of respondents were aware that they are required to register interests that may affect their work. The Committee was assured that among employees at Senior Officer grade or above, this figure rises to 81%. However officers in Human Resources take action to further raise the profile of the register of interests.
- 3.31 The Standards Committee Annual Report 2009/10 will be considered by the Corporate Governance and Audit Committee in June 2010, and by full Council in July 2010.

Matters Considered by Scrutiny Boards

- 3.32 The Annual Report which documents the key work of the Scrutiny Boards will be considered by full Council, and contains anticipated benefits arising from the inquiries undertaken.

Assurances provided by the Council's Subsidiaries

- 3.33 Assurances from the ALMOs and Education Leeds will be provided before the Statement is finalised in September 2010.

Assurances Provided by Governance Lead Officers

- 3.34 Each governance lead officer has described the arrangements in place, and has commented on whether they are;
- current and fit for purpose;
 - effectively communicated; and
 - embedded and routinely complied with.
- 3.35 Lead officers also provided an opinion on the level of assurance, listed any significant issues and described how these issues will be addressed in the coming year. The significant issues highlighted by lead officers and the corresponding actions are listed below. Consideration will be given to whether Directors, Chief Officers with concurrent delegations and the Council's subsidiaries will also be asked to complete an assurance template in 2010/11.
- 3.36 Each officer has confirmed that there are no fundamental control weaknesses in their respective areas of responsibility. However, where improvements have been identified, these are outlined below.

Assistant Chief Executive (Corporate Governance)

- 3.37 Review the Council's internal control arrangements to ensure that they are proportionate to its risks.
- 3.38 The guidance for report authors needs to be updated to advise authors on the duties to which they need to have regard such as exempt information and arguments to support the public interest test.
- 3.39 Consideration will be given as to how failure to update a sub-delegation scheme may be escalated to prompt compliance. Directors' assurance templates may also add value in this area if introduced, as they could include the arrangements in place to ensure that Sub-Delegation Schemes are up to date.
- 3.40 Better alignment is required of the Financial Procedure Rules, Contracts Procedure Rules, Executive Procedure Rules and decision making framework.

Chief Officer (Legal, Licensing and Registration)

- 3.41 A planned realignment in legal services will free-up senior officer time to increase the effectiveness of arrangements to communicate statutory obligations to relevant decision makers.

Chief Officer (Business Transformation)

- 3.42 Policies to govern the management and secure handling, storage, disposal, and sharing of information assets are not yet current and fit for purpose. The Government Protective Marking Scheme, new Records Management Facility and the Electronic Document and Records Management System will be rolled out over the next 12 months. Key policies will be in place by March 2011.
- 3.43 The Information Governance Framework is not fully embedded across the Council, therefore it will be reviewed and aligned with the Information Assurance Maturity Model and the Security Policy Framework, and a communications plan will be developed.
- 3.44 Arrangements are not currently in place to ensure that information assets are identified and risk managed, therefore an Information Asset Register will be created, Information Risk Management and Information Sharing Policies will be drafted and a report will be prepared setting out proposals for the Assistant Chief Executive (Planning, Policy and Improvement) to adopt the role of Senior Information Risk Owner.

Chief Officer (Leeds Initiative and Partnerships)

- 3.45 The Vision for Leeds, Leeds Strategic Plan and Council Business Plan will be reviewed and revised during 2010/11. In addition the Performance Management Framework will be reviewed to strengthen partnership performance management arrangements.
- 3.46 Arrangements to secure data quality are not fully embedded and complied with, therefore work will continue to raise awareness of the importance of data quality. The development of the Data Quality Management Framework in 2010/11 will provide a mechanism for monitoring data quality going forward.
- 3.47 Better co-ordination of consultation and engagement through the development of a Council wide forward plan of activities and developing the role of the Consultation Group.

Chief Officer (Human Resources)

- 3.48 The Officer Code of Conduct has not been updated for some time. A light touch review is currently taking place, and a revised Code will be introduced in Summer 2010. Action will also be taken to raise awareness of the Code, and compliance with the register of interests and gifts and hospitality will be audited.

- 3.49 An audit of employment policies will be undertaken to establish whether they are fit for purpose, effectively communicated and embedded and routinely complied with. A programme will also be developed to ensure that managers can effectively operate employment policies.
- 3.50 Appraisal and training procedures are not embedded and routinely complied with. The Organisational Development review will be completed to ensure that resources are directed to Council priorities. HR business partners will work with services with low compliance rates.
- 3.51 An independent review of health and safety suggested that a number of improvements were required to ensure arrangements are current and fit for purpose. The recommendations of this review will be implemented in 2010/11.

Chief Procurement Officer

- 3.52 There is no proactive monitoring by the Procurement Unit to confirm whether Contracts Procedure Rules are currently being complied with by Directorates. Therefore, procedures and reporting guidelines will be developed and implemented to address this.
- 3.53 Training will be provided to officers who are involved in procurement activities to ensure a consistent approach, and to increase awareness of legal updates and the Remedies Directive.

Chief Democratic Services Officer

- 3.54 No significant issues raised.

Chief Officer (Audit and Risk)

- 3.55 The Council needs to ensure that it has a corporate and systematic approach to securing value for money as a contribution to the Council's response to economic pressures.
- 3.56 At the time of writing, work is ongoing on the Annual Internal Audit Report and the opinion on the control environment. The opinion, including the opinion on this Statement, will be included in the final version of the Statement.

Chief Officer (Financial Management)

- 3.57 Development of a new Medium Term Financial Plan to reflect the changed financial climate facing the Council. To be reviewed in Summer/Autumn 2010 in line with the review of the Council's Business Plan.
- 3.58 Financial Procedure Rules to be reviewed and modernised.
- 3.59 Improved financial reporting and accountability, including the roll out of the new FMS projections module.

Head of Governance Services

- 3.60 There is no communication plan in place for the responsibilities set out in Parts 2 and 3 (Sections 1-4) of the Constitution, therefore a plan will be developed and implemented, particularly aimed at more clearly communicating Member, Committee and officer responsibilities.
- 3.61 To increase awareness of the role and responsibility of lead officers for significant partnerships and the low take-up of training on partnership governance, new lead officers will be advised of their role and responsibilities as soon as their partnership is added to the register, and they will be invited to training at least annually. An offer will also be made on a regular basis to attend DMTs to provide training, and Directors will be advised of training for lead officers to encourage take-up.
- 3.62 A communication plan will be developed to increase awareness of all Leeds City Council Members of the local assessment process.
- 3.63 The record retention and disposal arrangements within Governance Services have been reviewed and a framework has been introduced to improve controls in this respect.

Head of Scrutiny and Member Development

- 3.64 No significant issues raised.

Conclusions of the Assistant Chief Executive (Corporate Governance)

- 3.65 The Assistant Chief Executive (Corporate Governance) has reviewed and challenged the assurance statements provided and the work of the Governance Committees, their Annual Reports and forthcoming work programmes, and on the basis of such assurances, considers that where there have been significant or material concerns regarding the Council's internal control arrangements, these are being addressed. Significant pieces of work have been undertaken during the year to address actions arising from last year's statement and the governance issues that have arisen during the year. As a result of the review of assurances provided, the Assistant Chief Executive (Corporate Governance) recommends that the actions identified above will help to ensure that the Council's governance arrangements are fit for purpose, effectively communicated, embedded and routinely complied with.
- 3.66 During the year, the Corporate Governance Board will monitor progress against the measures identified and ensure that the Council's Governance Committees are informed of progress.

4.0 ASSURANCE SUMMARY

- 4.1 From the review, assessment and on-going monitoring work undertaken² and supported by the verification work undertaken by Internal Audit, we have reached the opinion that key systems are operating soundly and that there are no fundamental control weaknesses.

² By the Corporate Governance and Audit Committee, the Standards Committee, the General Purposes Committee, and the Corporate Governance Board supporting the work of those Committees.

- 4.2 No system of control can provide absolute assurance against material misstatement or loss; this statement is intended to provide reasonable assurance. There is an on-going process for identifying, evaluating and managing the key risks. These risks are reflected in the audit plan and are the subject of separate reports during the course of the year.
- 4.3 There is also evidence that an on-going process for identifying, evaluating and managing the key risks and that the programme of improvement outlined is appropriate.

Signed

Signed

Date

Date

**Councillor Keith Wakefield
Leader of the Council**

**Paul Rogerson CBE
Chief Executive**

Signed

Signed

Date

Date

**Councillor Geoff Driver
Chair
On Behalf of Corporate Governance
and Audit Committee**

**Nicolé Jackson
Assistant Chief Executive
(Corporate Governance)
On behalf of Corporate Governance
Board**

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Originator: Kevin Tomkinson

Tel: 0113 2474357

Report of the Chief Democratic Services Officer

Corporate Governance and Audit Committee

Date: 30th June 2009

Subject: Annual Monitoring of Key and Major Decisions

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose of the Report

- 1.1 This report provides an annual review, as requested by Members at its meeting in February 2010 in respect of the monitoring of Key and Major decisions notified to Democratic Services during the financial year 2009/10.
- 1.2 This report provides information, for 2009/10, in respect of ;
- the percentage of Key and Major decisions¹² that had been designated as exempt from the Call-In process.
 - the percentage of Key Decisions³ that were not in the Forward Plan of Key Decisions.
 - Key Decisions taken under Special Urgency provisions.
- 1.3 The report also Informs Members of any significant issues which have arisen in year along with the opinion of the Head of Governance Services with respect to the operation of the Council's decision making arrangements during 2009/10..

2.0 Background Information

- 2.1 At its meeting on the 28th October 2008 Members raised concerns regarding the risks associated with unconstitutional decision making. These concerns were based upon anecdotal reports of decisions which may have been implemented prior to the conclusion of the call-in period.

¹ See Glossary at the end of this report

² That is decisions which have been notified to Governance Services in accordance with constitutional requirements.

³ That is decisions which have been notified to Governance Services in accordance with constitutional requirements.

- 2.2 Subsequently a sample of decisions were audited by Internal Audit to assess whether the correct procedures were being followed; the outcomes of which were reported at the meeting of this Committee in June 2009.
- 2.3 A further report was received by Committee in February 2010 updating Members on;
- a) Availability of Decisions for Call-In April and November 2009
 - b) Key Decisions Taken under Special Urgency provisions
 - c) The Forward Plan of Key Decisions
 - d) Improvements in Monitoring Delegated Decisions
 - e) Further Assurances sought with respect to Key and Major Decisions
- 2.4 This report provides an end of year position with respect to a) – c) above and an opinion with regard to overall compliance with the Council's decision making arrangements.

3.0 Availability of Decision for Call 2009/10

- 3.1 Key and Major decisions made by officers and decisions taken by the Executive Board are subject to Call-In by Scrutiny Boards and cannot be implemented until either the Call-In period has expired or the relevant Scrutiny Board has made a decision regarding the Call-In.
- 3.2 The extent to which Key and Major decisions are available for Call In provides a proxy measure for the openness and transparency of decision making within the Council, particularly in respect of democratic accountability. The higher the percentage of decisions available the greater the breadth of challenge which can be exercised by Members through the scrutiny process.
- 3.3 Whilst Directors can identify a decision as being exempt from Call-In, this is only in cases where a Director considers that the decision is urgent and any delay in implementing the decision would seriously prejudice the Council's or public interest. These reasons are included in reports and, where necessary, accompanying delegated decision notices.
- 3.2 The authority has achieved its target of 95% of eligible decisions been available for Call-in for the year ending 31 March 2010 and more details are shown at appendix 1 with additional commentary.

4.0 Forward Plan of Key Decisions

- 4.1 The Leader of Council is required to produce each month a Forward Plan of Key Decisions⁴ detailing those Key Decisions which are to be taken by the Executive Board and by Officers (under delegated powers).
- 4.2 Again, a proxy measure of the openness and transparency of the council's decision making arrangements is the extent to which Key Decisions are pre notified on the Forward Plan.
- 4.4 The authority has achieved its target of no more than 13% of Key Decisions taken by the Council not appearing in the Forward Plan of Key Decisions for the year ending 31 March 2010 and more details are shown at appendix 1 with additional commentary.

⁴ See Glossary at the end of this report.

5.0 Key Decisions Taken Under Special Urgency Provisions

- 5.1 In the period under review there was 1 decision taken under the 'Special Urgency' provisions contained within the Constitution.
- 5.2 Paragraph 15 of the Access to Information Procedure Rules allows for 'Special Urgency' and states: "If by virtue of the date by which a decision must be taken Rule 14 (general exception) cannot be followed, then the decision can only be taken if the decision taker (if an individual) or the chair of the body making the decision, obtains the agreement of the chair of a relevant Scrutiny Board that the taking of the decision cannot be reasonably deferred and the decision is urgent. If there is no chair of a relevant Scrutiny Board, or if the chair of the relevant Scrutiny Board is unable to act, then the agreement of the Lord Mayor of the Council, or in his/her absence the Deputy Lord Mayor will suffice"
- 5.3 The decision subject to the Special Urgency provisions related to the designation of a conservation area in Buslingthorpe to avoid the loss of important historic buildings and to preserve the special historic character of the area.
- 5.4 In accordance with the requirements of the Access to Information Procedure Rules the use of the Special Urgency provision was reported to Executive Board and Council.
- 5.5 The Head of Governance Services is of the view that the circumstances of the use of the Special Urgency provisions was reasonable and compliant with the provisions of the Constitution.

6.0 Financial Commitments 2009/10

- 6.1 In 2009, all financial commitments over £100,000 for the financial year 2008/09 were reviewed to establish whether an appropriate delegated or Executive Board decision had been taken to support that expenditure. The outcome of this was reported to the Committee last municipal year and has led to further work being undertaken by the Assistant Chief Executive (Corporate Governance) aimed at reviewing the controls that are in place and establish whether opportunities exist for better alignment and improved clarity.
- 6.2 A further review of all financial commitments over £100,000 for 2009/10 is nearing completion and any additional lessons learned will be fed into the work being led by the Assistant Chief Executive (Corporate Governance).

7.0 Implications For Council Policy And Governance

- 7.1 The Council's Constitution sets out the framework for decision making within the Council; Directors and Chief Officers have established sub delegation schemes through which authority to take decisions is further sub delegated to officers of relevant seniority and experience.
- 7.2 To underpin these constitutional requirements, the Head of Governance Services has established processes through which decisions, which are notified to the Chief Democratic Services Officer, are challenged, for compliance with the Constitution requirements and then subsequently documented on the Council's record system. The Head of Governance Services is satisfied that these systems are operating soundly and there have been no fundamental control weaknesses during the year.

8.0 Recommendations

8.1 Members of the Committee are asked to;

- note the percentage of eligible decisions available for Call-In during the period 1 April 2009 and 31 March 2010 as detailed in appendix 1 of this report
- note the percentage of Key Decisions that did not appear in the Forward Plan of Key Decisions during the period 1 April 2009 and 31 March 2010 as detailed in appendix 1 of this report.
- note the details of the Key Decision taken under Special Urgency provisions.
- note the further work to be undertaken in respect of financial commitments over £100,000
- note the assurances provided by the Head of Governance Services in this report.

Glossary

Key Decision

A Key Decision as defined in the Constitution is a decision relating to an executive function which is likely to:

- result in the Authority incurring expenditure or making savings over £250,000 per annum, or
- have a significant effect on communities living or working in an area comprising 2 or more wards

Major Decision

A Major Decision as defined in the Constitution is a decision relating to an executive function which is likely to:

- result in the Authority incurring expenditure or making savings over £100,000 per annum, or
- have a significant effect on communities living or working in an area (including one ward)

Forward Plan

The Forward Plan is prepared on a monthly basis and contains details of the Key Decisions to be made for the four month period following its publication. This document provides details of what key decisions are to be taken, when they are to be taken, who will take the decision, what consultation has been/will be undertaken and to whom representations can be made.

The Forward Plan is published at least 14 days before the start of the period covered and once a year a notice is published in at least one newspaper circulating in the area setting out publication dates for the year.

Background Documents

Democratic Services Performance Reports

Reports to Corporate Governance and Audit Committee

Guidance Notes on Delegated Decision Making

Access to Information Procedure Rules

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Appendix1

Indicator: Percentage of eligible decisions available for Call-In.

Target: 95%

	Q1	Q2	Q3	Q4	Annual
2008/09	98%	98%	99%	98%	98%
2009/10	98%	99%	99%	98%	99%

Comments: This internal Democratic Services indicator is measured on a monthly basis and to help support directorates in this regard, the Head of Governance Services has continued on a monthly basis to inform the relevant Director of any instances where Key or Major Decisions have been taken which have been exempted from the Call-In process and raise any issues of concern.

The target was met for 2009/10 and will continue to be monitored throughout 2010/11.

Indicator: Percentage of Key Decisions which did not appear in the Forward Plan

Target: 2008/09 - 15% Target: 2009/10 – 13% Target: 2010/11 – 11%

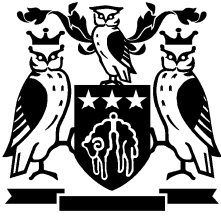
	Q1	Q2	Q3	Q4	Annual
2008/09	27%	17%	14%	11%	15.6%
2009/10	11%	16%	11%	8%	11.5%

Comments: This indicator is a Corporate Indicator and features in the Council Business Plan. The data is taken from both Delegated Decisions and Committee Decisions.

This indicator is measured on a monthly basis and the Head of Governance Services has continued on a monthly basis to inform the relevant Director of any instances where Key Decisions have not appeared in the Forward Plan of key Decisions

The target was met for 2009/10 and will continue to be monitored throughout 2010/11.

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Originator: Laura Ford

Tel: 0113 39 51712

Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 23rd June 2010

Subject: Standards Committee Annual Report 2009/10

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1. The purpose of this report is to inform Members of the Standards Committee Annual Report, in line with the request of Members that this Committee receive six monthly update reports on the work of the Standards Committee. The Annual Report is attached at Appendix 1 to this report.

1.0 Purpose Of This Report

- 1.1 To inform Members of the Standards Committee Annual Report 2009/10. The report is attached at Appendix 1.

2.0 Background Information

- 2.1 The terms of reference of the Corporate Governance and Audit Committee include the function to “review the adequacy of Council’s Corporate Governance arrangements”, which includes the arrangements to ensure the appropriate conduct of Members and officers.
- 2.2 In order to support this function Corporate Governance and Audit Committee, at its meeting on the 19th April 2006¹, requested that the Standards Committee produce a report on their work to be presented to this committee every 6 months.
- 2.3 At the Standards Committee meeting of the 25th April 2006² that committee agreed that the annual report would be presented to Corporate Governance and Audit Committee, to constitute one of these 6 monthly updates.
- 2.3 The fifth annual report was approved by the Standards Committee at its meeting on 22nd April 2010, and is due to be considered by full Council on 14th July 2010.

3.0 Main Issues

- 3.1 The following section of the report summarises the content of the Standards Committee Annual report.

3.2 The Work of the Committee 2009-2010

The section regarding the work of the Committee is categorised in the same way as last year’s annual report, into issue areas which reflect the Committee’s terms of reference. However a section on politically restricted posts has been added to incorporate this additional area of responsibility for the Standards Committee. The content is also broadly similar to the 6 monthly report which the Corporate Governance and Audit Committee received on 13th January 2010.

- 3.3 Promoting, monitoring and reviewing the codes of conduct
- Reviewing the Codes and Protocols
 - Ethical Audit
 - Register of Interests and Gifts and Hospitality
 - Officer Code of Conduct
- 3.4 Local assessment of complaints
- Assessment and Review Sub-Committees
 - Consideration and Hearings Sub-Committees
 - Review of local assessment arrangements
 - Training and guidance for members of the sub-committees
- 3.5 Providing guidance and training
- Governance Matters

¹ See Minute 60 of the meeting of the 19th April 2006.

² See Minute 91 of the meeting of the 25th April 2006.

- First-Tier Tribunal (Local Government Standards in England) – Decisions of Case Tribunals

3.6 Relationship with Parish and Town Councils

- Addressing the results of the Annual Audit
- Parish and Town Council Liaison Forum

3.7 Politically Restricted Posts

- Procedure for Politically Restricted Posts
- Applications for exemption from Political Restriction

3.8 Working with other agencies

- Local Government Chronicle Awards 2010
- The Centre for Local & Regional Government Research
- Standards for England
- Association of Independent Members of Standards Committees in England (AIMSce)

Issues for 2010 - 2011

- 3.9 The potential work of the Committee for the next municipal year is summarised at the end of the report.

These issues are outlined below:

- Member and Officer Codes of Conduct
- Induction of the new Chair
- Recruitment Process
- Increasing understanding of local assessment

4.0 Implications For Council Policy And Governance

- 4.1 There are no implications for Council policy.

- 4.2 By producing a report which details its work throughout the year, and the principal decisions it has taken, the Standards Committee is promoting transparency in its actions.

- 4.3 The annual report is also a method by which Members and officers can be informed of the Standards Committee's role and its inputs and outputs. This is an objective of the Committee's communication plan which seeks to cascade regular information to Members and officers.

5.0 Legal And Resource Implications

- 5.1 There are no legal or resource implications.

6.0 Conclusions

- 6.1 The publication of this annual report will support the Council's governance arrangements by promoting transparency in the Standards Committee's actions and help fulfill its communication plan.

6.2 By receiving and noting this report the Corporate Governance and Audit Committee will be undertaking its function to review of the adequacy of the Council's Corporate Governance arrangements.

7.0 Recommendations

7.1 Members are asked to note the Standards Committee Annual Report 2009/10 as set out in Appendix 1.

Background Documents

- Report of the Assistant Chief Executive (Corporate Governance) to Corporate Governance & Audit Committee, "Standards Committee Update Report", 13th January 2010
- Report of the Assistant Chief Executive (Corporate Governance) to Standards Committee, "Standards Committee Annual Report 2008/09", 22nd April 2010

Leeds City Council Standards Committee

Annual Report 2009 – 2010



Introduction

The Local Government Act 2000 requires councils to set up a standards committee. Standards committees have a proactive role in creating an ethical framework which governs the relationship between high standards of conduct and transparency and openness in decision making. As a result of the Local Government and Public Involvement in Health Act 2007 and the Standards Committee (England) Regulations 2008, the role of the Standards Committee also includes the local assessment of complaints made under the Member Code of Conduct.

This is the Committee's fifth Annual Report and it presents a summary of its work during the 2009-10 municipal year. The Committee's Annual Return to Standards for England is appended to the report. This report supports the corporate governance arrangements of the Council by promoting good conduct and cascading information.

Our Ambition

"To help develop and maintain a climate of mutual trust and respect in which Members, officers and partners work effectively together to deliver the Council's strategic and operational priorities and where the public can be assured that this is done in an honest, objective and accountable way."

Foreword from the Chair



Leeds City Council was announced as winner of the Standards and Ethics category at the Local Government Chronicle Awards 2010. The judging panel was impressed by the Leeds approach to ethical governance within the authority, and its commitment to promoting and maintaining high standards of Member conduct. Features of our work were also highlighted as a case study of notable practice in Standards for England's most recent Annual Review. I am delighted that the work undertaken by the Standards Committee has been recognised in this way.

This year the Standards Committee has continued to meet and address the challenges of adapting to its local assessment role, and has also taken on a new role in assessing Politically Restricted Posts. Having served eight years, I will be standing down as Chair and Independent Member of the Committee at the Council's Annual Meeting in May 2010. On behalf of the Committee, I would like to extend a warm welcome to my successor, Mr Gordon Tollefson, who I am sure will continue to drive forward the standards agenda in Leeds.

We hope you enjoy learning about the Standards Committee and its work throughout the 2009/10 municipal year.

Mike Wilkinson
Chair of the Standards Committee

Members of the Committee

The Standards Committee is composed of four independent members (and one reserve independent member for the 2009/10 municipal year), seven City Councillors, and three Parish Councillors.

Independent Members

The purpose of independent members is to help increase public confidence in ethical standards and provide a clear signal that the Standards Committee is fair. Independent members also bring a wider perspective to the Standards Committee from outside experiences. Independent members are not Members or officers of the Council, and are not actively engaged in local party political activity. They are appointed by the Full Council for terms of four years, and can serve two terms overall. This is to prevent them losing their independence from the authority.

Mike Wilkinson

has been an independent member and Chair of the Committee since 2002. He is also the Chair of the Standards Committee at the West Yorkshire Fire and Rescue Authority. Until 2001 he was University Secretary and Clerk to the Board at Leeds Metropolitan University. He is a magistrate on the Leeds Bench, a Director of UNIPOL Student Homes, and a Trustee of Leeds Metropolitan University Students' Union. He will stand down at the Annual Meeting in 2010.



Rosemary Greaves

joined the Standards Committee in 2004 as a reserve independent member. Rosemary previously worked for BT as a Business Manager specialising in business development and strategy which includes developing significant new business propositions or identifying potential acquisition requirements. Rosemary became a full independent member in 2007 and her current term of office runs until the Annual Meeting in 2011.



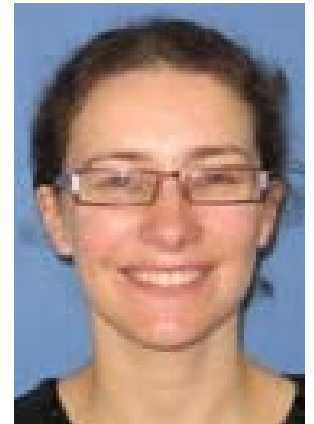
Philip Turnpenny

joined the Standards Committee in April 2008. Philip is the retired Director of Human Resources at Moores Furniture Group in Wetherby, where he is now Chairman of the Trustees of the Pension and Life Assurance Scheme. Philip is a Magistrate sitting in both the Adult and Family Proceedings Courts in Bradford, Chair of the Governing Body at Tadcaster Grammar School and Chair and Member of the Interim Executive Boards of St Joseph's Catholic Primary School and Sherburn High School respectively. Philip also sits on the Board of Foundation Housing. Philip's current term of office runs until the Annual Meeting in 2012.



Joanne Austin

joined the Standards Committee in May 2009. Joanne worked at KPMG for 21 years in a variety of roles, and most recently as a Principal Advisor within the Financial Services Advisory Group. She has also recently completed a degree in Psychology from the Open University. Joanne's current term of office runs until the Annual Meeting in 2013.



Gordon Tollefson

joined the Standards Committee as a reserve independent member in May 2009. Gordon retired from the NHS in January 2006 where he worked as a Senior Ambulance Service Manager. He has served as a magistrate in Leeds since 1994 and chairs Courts on a regular basis. In 2008 he was appointed by the Ministry of Justice to the Lord Chancellor's Advisory Committee for Leeds, which is the body that handles all matters relating to standards, discipline and governance within the Leeds Magistrates' Courts. In February, Gordon was appointed as a full Independent Member of the Committee for a period of four years, commencing at the Annual Meeting in 2010, and as Chair of the Committee for the 2010/11 municipal year.



Leeds City Councillors

The Councillors on the Standards Committee are representatives of all five political groups within the Council. The Standards Committee is not politically balanced, this is because the standards committee should be above party politics and its members need to have the respect of the whole authority, regardless of their political party.

Councillor David Blackburn

is the Whip of the Green Group and represents the Farnley and Wortley ward on Leeds City Council. Councillor Blackburn is also a member of the Corporate Governance and Audit Committee and the City Centre Plans Panel.



Councillor Colin Campbell

is a member of the Liberal Democrat Group and represents the Otley and Yeadon ward on Leeds City Council. Councillor Campbell is also the Chair of Plans Panel (West), and a member of the Corporate Governance and Audit Committee.



Councillor Les Carter

is a member of the Conservative Group and has been a Leeds City Councillor since 1973. He represents the Adel and Wharfedale ward on Leeds City Council and is also an Executive Board Member with responsibility for Neighbourhoods and Housing. Councillor Carter's areas of responsibility include housing policy and strategy, community safety, regeneration, homelessness and environmental health.



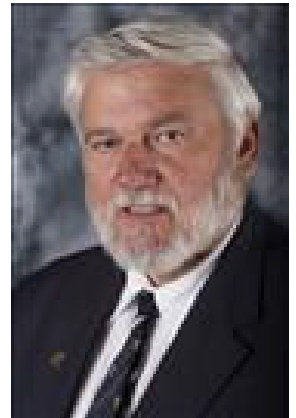
Councillor Ronald Feldman

is a member of the Conservative Group and represents the Alwoodley ward on Leeds City Council. Councillor Feldman is also Chair of the Licensing and Regulatory Panel, and a member of the Licensing Committee and the Children’s Services Scrutiny Board.



Councillor Bob Gettings

is a member of the Morley Borough Independent Group and represents the Morley North ward on Leeds City Council. Councillor Gettings is also a member of the Children’s Services Scrutiny Board and a member of Morley Town Council, on which he represents the Scatcherd Ward.



Councillor Janet Harper

is a member of the Labour Group and represents the Armley Ward on Leeds City Council. Councillor Harper is also a member of Plans Panel (West).



Councillor Brian Selby

is a member of the Labour Group and represents the Killingbeck and Seacroft Ward on Leeds City Council. Councillor Selby is also a member of the Licensing Committee, the Children’s Services Scrutiny Board and he Chairs the East (Inner) Area Committee.

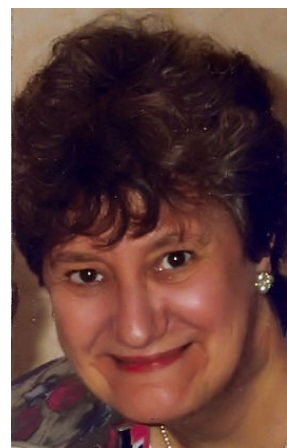


Parish Councillors

The role of the Parish Councillors on the Standards Committee is to make sure that the parish and town councils in Leeds are represented throughout discussions. At least one of the Parish Councillors must sit on the Standards Committee at all times when parish matters are being discussed. As the Standards Committee also has responsibility for the Parish and Town Councillors in the Leeds area, the Parish Councillors on the Standards Committee demonstrate that parish issues are going to be dealt with fairly. They also bring an additional independent perspective to the Committee as they are not able to be members of Leeds City Council.

Councillor Mrs Pat Walker

is a member of Pool-in-Wharfedale Parish Council which she was elected to for the first time 7 years ago. She is lead member on conservation matters. Previously a Harrogate District Councillor, she has been involved in politics at local, national and European levels. A business manager in Leeds and Harrogate for 25 years, she is now an active member of the Ruskin Society and is presently a Foundation Governor of Prince Henry's Grammar School, Otley. Councillor Walker's current term of office runs until the Annual Meeting in 2013.



Councillor John C Priestley

joined the Committee in 2005 as a reserve parish member and became a full member in 2007. He is a retired (litigation) solicitor and was a senior partner of Booth & Co. Leeds. He retired in 2002 and is now the Chairman of East Keswick Parish Council. He is also a Trustee of the W.W. Spooner Charitable Trust. Councillor Priestley's current term of office runs until the Annual Meeting in 2011.



Councillor Paul Cook

joined the Committee in 2009 as a full parish member. He was elected to Morley Town Council in 2007, and is currently the Deputy Mayor. He was a police officer for 30 years and retired in 1999. Councillor Cook's current term of office runs until the Annual Meeting in 2013.



Monitoring Officer to the Committee

Nicolé Jackson – Assistant Chief Executive (Corporate Governance) and Monitoring Officer

After qualifying as a solicitor at Calderdale Council, Nicolé worked at Bradford and Kirklees Councils, prior to moving to Leeds in June 1990. Nicolé became Senior Assistant Director and subsequently Chief Legal Officer in 1994 and 1999 respectively, and was appointed to her current role of Assistant Chief Executive (Corporate Governance) in 2007. Nicolé is also a part time Chair of the Midland Rent Assessment Panel.



Introduction to the Standards Committee

The general functions of the Standards Committee are:

- ▶ Promoting and maintaining high standards of conduct by Members and co-opted members; and
- ▶ Assisting Members and co-opted members to observe the Code of Conduct.

The terms of reference for the Committee are:

- ▶ Promoting, monitoring and reviewing the rules controlling the behaviour of Councillors and Officers (Code of Conduct);
- ▶ To initially assess and review complaints against Leeds City Councillors and Parish and Town Councillors in Leeds and to decide what action (if any) to take;
- ▶ To consider the results of any investigation into the behaviour of Councillors and decide whether their behaviour has broken the rules described above. If the Councillor is found to have broken the rules, the Committee decides what sanction to impose;
- ▶ To make suggestions to and work with other agencies about standards issues and the different codes of conduct. This involves taking part in research projects and consultation exercises, as well as making suggestions for improvement and best practice to Standards for England;
- ▶ To provide advice and guidance to Members and officers and to make arrangements for training them on standards issues;
- ▶ To advise the Council about changes which need to be made to the code of conduct for Officers and to promote, monitor and review this code; and
- ▶ To consider applications to include or remove a post from the Council's list of Politically Restricted Posts.

The Work of the Committee 2009 – 2010

Promoting, monitoring and reviewing the Codes of Conduct

The Standards Committee exists to promote and maintain high standards of conduct within the Council, and has considered several important standards issues over the past year.

► **Reviewing the Codes and Protocols** - The Standards Committee has responsibility for several codes and protocols in the Constitution. To ensure that these are operating effectively, are being complied with, and are fit for purpose the Standards Committee has added regular reports regarding these codes and protocols to its work programme. This year the Standards Committee has reviewed:

- the Monitoring Officer Protocol; and
- the Standards Committee Media Protocol.

The Council's Member Management Committee is currently undertaking a review of the Local Codes and Protocols that affect elected Members, therefore the consideration of these Protocols by the Standards Committee will be delayed until the next municipal year.

The Committee also reviewed its own Procedure Rules in October in order to make them more accessible to subject Members and complainants, and to more accurately reflect the distinct roles of the Standards Committee and its Sub-Committees throughout the complaints process.

► **Ethical Audit** - Through the results of the ethical audits carried out in 2006 and 2007, the Standards Committee identified a general lack of awareness and understanding amongst officers of the ethical framework. As a result the Committee requested that work be carried out by Human Resources to create a new ethical framework training and awareness programme for officers. A progress report was presented to the Committee in July 2009, which detailed some of the

activities undertaken such as including ethical governance questions in the Staff Survey and the 360 degree appraisals for senior officers. A report detailing the results of these ethical governance questions was presented to the Committee in February 2010, and concerns were expressed as the results did not appear to have improved since the Ethical Audit was undertaken. The Committee is therefore overseeing an action plan that will be implemented in order to address the Staff Survey results.

- ▶ **Register of Interests and Gifts and Hospitality** - The Standards Committee seeks to reassure itself that the Members' register of interests is being reviewed and updated by Members on a regular basis and that the rules surrounding the registration of gifts and hospitality are being observed. The Committee receives annual reports to this effect, the last report on this subject having been considered on 8th July 2009. The Standards Committee was satisfied that the review arrangements in place are fit for purpose.
- ▶ **Officer Code of Conduct** - The Standards Committee received a report in October 2009 from Human Resources which proposed some amendments to the Council's Officer Code of Conduct, given the delay in the release of a national Code for officers. The proposed amendments, which were supported by the Committee, will bring the Code up-to-date, particularly in respect of organisational changes and technological advances.

Impact

By seeking assurance that the Codes and Protocols are fit-for-purpose and effectively promoted, the Committee has strengthened high standards of ethical governance throughout the authority, and ensured that any issues, for example the results of the Staff Survey, are addressed. This will assist in increasing public confidence in the accountability of elected Members and officers.

Local Assessment of Complaints

Since May 2008, the Standards Committee has had responsibility for initially assessing and reviewing complaints against Leeds City Councillors and Parish and Town Councillors in the Leeds area.

- ▶ **Assessment and Review Sub-Committees** – The table below shows the number of complaints which have been made about Councillors in Leeds during this municipal year, and the number which have been referred for further investigation. The Assessment Sub-Committee has considered a total of 13 complaints. The Review Sub-Committee has considered 7 review requests, and the decision to take no further action was upheld in all cases.

Authority	Number of Complaints	Number of Councillors referred for investigation	Number of Councillors referred for other action
Leeds City Council	12	5 (3 of which are ongoing)	0
Parish and Town Councils	1	0	0

The Standards Committee aims to assess and review complaints within an average of 20 working days. During the 2009/10 municipal year, complaints were assessed in an average of 21 working days. This is due to two complaints which took 37 and 34 working days to be assessed, as further clarification had to be sought. Without these two complaints, the average is 19 working days.

Review requests were considered in an average of 39 working days. This was due to difficulties in some cases in achieving a quorum for the Review Sub-Committee. However, all review requests were considered within the statutory 3 month deadline.

Eight investigations have been completed during the municipal year, and were completed within an average of 10 months. As the Committee was concerned about the time taken to complete investigations, a Procedure for External Code of Conduct Investigations was introduced. In February, the Committee was informed that the time taken to complete investigations had considerably reduced as a result of the procedure.

► **Consideration and Hearings Sub-Committees** – In July, the Committee agreed to set up a Hearings Sub-Committee to determine complaints made against Members, and in December a Consideration Sub-Committee was created to receive and consider final investigation reports. This year, six final investigation reports were received which contained a finding of no failure, and this finding was accepted by the Consideration Sub-Committee in four cases (one case was investigated by Standards for England so did not need to be considered by the Sub-Committee, and one case is due to be considered on 11th June 2010). Two reports were received which contained a finding of failure (one of which also contained a finding of no failure, which was accepted by the Consideration Sub-Committee), and were referred to the Hearings Sub-Committee for determination. Based on its findings of fact, the Hearings Sub-Committee resolved that the subject Member had not failed to comply with the Code of Conduct in both cases.

► **Review of Local Assessment Arrangements** – The Standards Committee reviews the local assessment arrangements on an annual basis. In December, a questionnaire was sent to all City and Town and Parish Councillors seeking their comments on the local assessment process, including whether they wished to be notified that a complaint had been made against them prior to the meeting of the Assessment Sub-Committee. As the majority of respondents had indicated that they did wish to be informed as soon as possible, the Committee agreed that subject Members should be notified prior to the meeting of

the Assessment Sub-Committee, but that Members should be provided with the opportunity to opt-out of this process if they wish. Several other issues were raised during the review, however as most of these related to the content of the relevant legislation, it was agreed that the comments received should be forwarded to Standards for England and Communities and Local Government.

- ▶ **Training and Guidance for Members of the Sub-Committees** – In February, the Committee reviewed its training plan, and further to a recommendation by Corporate Governance and Audit Committee, it was agreed that members should be required to attend the relevant training prior to sitting on the Assessment, Review, Consideration and Hearings Sub-Committees. This year the Committee has received training in relation to the Code of Conduct, local assessment of complaints, consideration of final investigation reports, investigations, and local hearings. The Independent and Parish Members of the Committee have also sought to increase their understanding of the role of a City Councillor by attending a range of Council meetings, and observing Councillors' ward surgeries. A West Yorkshire Regional Standards Conference was also held in July 2009, at which training on declarations of interest and local assessment was provided.

Impact

By reviewing its local assessment arrangements, the Committee has been able to make amendments where possible to take Members' views and any arising issues into account. The Committee has also satisfied itself that it is meeting its obligations under the Standards Committee (England) Regulations 2008 by receiving six monthly update reports on complaints received. This will ensure that anyone who wishes to complain about the conduct of a Councillor can be confident that their complaint will be dealt with appropriately.

Providing Guidance and Training

The Standards Committee has a special responsibility for ensuring that Members are trained in matters relating to the Code of Conduct and arranging for appropriate training to be provided. As there wasn't a local election in 2009, the Committee has not been provided with information in relation to the Code of Conduct training provided to Elected Members.

- ▶ **Governance Matters** - The Standards Committee features heavily in the regular bulletin 'Governance Matters' which is distributed to all Members of the Council, Directors, Chief Officers and all officers within Legal, Licensing and Registration, Procurement and Democratic Services. This bulletin contains a 'spotlight on' section which provides advice on specific standards or governance issues, front page news and feedback from the Council's governance committees. Past issues are available to download from the Council's website¹.
- ▶ **First-Tier Tribunal (Local Government Standards in England): Decisions of Case Tribunals** – The Committee receives regular reports summarising the decisions of case and appeals tribunals made by the First-Tier Tribunal (Local Government Standards in England) in its role of determining allegations of misconduct. The Committee assesses whether there are any lessons to be learned from the decisions in relation to the training and guidance provided to Members in Leeds.

Impact

By training Members and officers on standards issues, the Committee is adhering to the Council's Code of Corporate Governance by helping to foster a culture of behaviour based on ethical principles and good conduct. In turn, this will help to increase public confidence in the

1

http://www.leeds.gov.uk/Council_and_democracy/Councillors_democracy_and_elections/Council_documents/Governance_Matters_Newsletter.aspx

integrity of Councillors and officers, and the decisions they make.

Relationship with Parish and Town Councils

The Standards Committee has sought to develop its relationship with the Parish and Town Councils in the Leeds area during this municipal year.

- ▶ **Addressing the results of the Annual Audit** – A questionnaire was sent to Parish Clerks at the end of October 2007 to assess the ethical arrangements in place at their Parish or Town Council, the results of which were presented to the Committee on 16th October 2008. The Monitoring Officer, Chair and Parish Members of the Committee then met to discuss the results in detail and agree on the actions to be taken. The results of this meeting were reported to the Committee on 8th July 2009.
- ▶ **Parish and Town Council Liaison Forum** – A report was submitted to the meeting of the Parish and Town Council Liaison Forum which took place in October, which provided an update on ethical governance.

Impact

The Committee has assisted the Town and Parish Councils in meeting the requirements of the Code of Conduct, and is therefore helping to reduce the number of complaints received against Town and Parish Councillors and in turn the negative impact that this can have on the public's perception of ethical standards within Councils.

Politically Restricted Posts

The Local Government and Public Involvement in Health Act 2007 amended the Local Government and Housing Act 1989, transferring powers in relation to politically restricted posts from an Independent Adjudicator to Standards Committees.

- ▶ **Procedure for Politically Restricted Posts** – In August 2009, the Committee considered a proposed procedure for the consideration of politically restricted posts. The Committee raised several queries in relation to the procedure. A further report was therefore submitted to the Committee in October to address these issues. Under the Local Democracy, Economic Development and Construction Act 2009, the rate of remuneration is no longer a determinant of politically restricted posts. Therefore, the Committee will receive a further report in the new municipal year outlining an amended procedure and list of restricted posts.
- ▶ **Applications for exemption from Political Restriction** – The Committee has received one application for exemption from the list of politically restricted posts. Following consideration, the Committee resolved to remove the post from the list of restricted posts.

Impact

The Committee has ensured that it is meeting its obligations under the Local Government and Housing Act 1989, and has ensured that its procedure for considering applications for exemptions from or additions to the list of restricted posts is fit for purpose. This provides assurance to the Council's stakeholders that the Committee is able to make appropriate decisions in relation to political restriction.

Working with Other Agencies

During the year, the Standards Committee has continued to take part in research and policy development on a national scale through various consultation exercises.

► **Local Government Chronicle Awards 2010** –Leeds City Council was announced as the winner of the 'Standards and Ethics' category of the Local Government Chronicle Awards 2010. The judging panel was impressed by the Council's commitment to high standards, and the innovation and hard work put into areas such as communicating standards and engaging leadership.

► **The Centre for Local & Regional Government Research** - In March 2008, Standards for England commissioned Cardiff University to assess the impact and effectiveness of the ethical framework in local government. The research is being carried out over five years using in-depth case studies of nine local authorities. Leeds City Council was selected to take part and accepted. It focuses on the impacts of standards frameworks on processes, systems, cultures and values within local government. The project also uses public surveys and focus groups to explore any impacts of local standards frameworks on levels of public trust in local government.

Case study work is being conducted with Councils at two-yearly intervals, the first round of which took place in September 2008. This included interviews being conducted with Members, key officers, local stakeholders and public focus groups. The second round of interviews will take place in Summer 2010.

► **Standards for England** - The Chair and a Parish Member of the Committee attended the Eighth Annual Assembly of Standards Committees held by Standards for England on 12th and 13th October 2009, which provided an opportunity for training and guidance and also feedback to Standards for England on their work. The Chair of the

Standards Committee was also a member of the steering committee for this year's conference, and was a speaker on the features of highly effective standards committees. He also featured as a panel member in a session on 'sharing good practice'. The Monitoring Officer co-presented a workshop on managing investigations with confidence.

The Standards Committee is kept up to date on national conduct issues by receiving regular Standards for England Bulletins and issues of the Town and Parish Standard. The Standards Committee also received and considered Standards for England's Annual Review at its meeting in December 2009.

In 2009, Standards for England introduced the Annual Return, which all standards committees are required to complete. It asks questions on topics such as the role of the standards committee, what the committee does to promote standards, and Member/officer relations. The Annual Return for 2010 is attached at **Appendix 1** for information.

- ▶ **Association of Independent Members of Standards Committees in England (AIMSce)** - The Chair of the Standards Committee is a Director of AIMSce. The Association provides support and guidance to independent members in carrying out their statutory responsibilities, and also acts as a forum for exchanging views and ideas with other organisations and stakeholders.

Impact

The Committee has ensured that it is kept up-to-date on national developments within the standards regime, and that the views of Members and officers in Leeds are taken into account through correspondence with Standards for England and Communities and Local Government, and are shared with the wider ethical standards community.

Issues for 2010 – 2011

The Standards Committee will have many important issues to address in the coming the year, including the following:

- ▶ **Member and Officer Codes of Conduct** – Communities and Local Government have advised that a new Member Code of Conduct will not be released prior to the general election. The Committee is therefore anticipating the release of a new Code of Conduct in the coming municipal year, as well as the release of a further consultation document in relation to the Officer Code.
- ▶ **Induction of the new Chair** – The current Chair of the Standards Committee, Mike Wilkinson, ends his final term of office at the Annual Meeting in 2010. The Council has appointed Mr Gordon Tollefson (who is currently a reserve Independent Member) as Chair for the 2010/11 municipal year. Mr Tollefson has already spent some time shadowing the current Chair to prepare for the role.
- ▶ **Recruitment Process** – The Committee will consider proposals for amending its process for recruiting the Chair of the Committee, and Independent Members.
- ▶ **Increasing understanding of local assessment** – Through the review of its local assessment procedures, the Committee has become aware that there are some concerns and misunderstanding amongst elected Members in relation to the complaints process. Action will therefore be taken to address this, for example by creating a list of Frequently Asked Questions, and the Monitoring Officer will also offer to attend political group meetings to discuss the process.

Useful Links

If you would like to find out more about standards issues and the work of the Committee, as well as keep up to date with national issues, you may find the following links useful:

- ▶ **Standards for England** (for guidance on standards issues, standards committees and outcomes of recent cases)
www.standardsforengland.gov.uk
- ▶ **The First-Tier Tribunal (Local Government Standards in England)** – <http://www.adjudicationpanel.tribunals.gov.uk/>
- ▶ **The Audit Commission** – www.audit-commission.gov.uk
- ▶ **Department for Communities and Local Government** – <http://www.communities.gov.uk/corporate/>
- ▶ **Leeds City Council** – www.leeds.gov.uk
- ▶ **National Association of Local Councils** – www.nalc.gov.uk
- ▶ **Yorkshire Local Council Association** -
www.visionwebsites.co.uk/Contents/Text/Index.asp?SiteId=490&SiteExtra=13134021&TopNavId=459&NavSideId=5536
- ▶ **Chartered Institute of Public Finance and Accountancy** – www.ipf.co.uk
- ▶ **Association of Independent Members of Standards Committees in England** – www.aimsce.org.uk

Parish Councils

The Standards Committee has a special responsibility to the Parish and Town Councils in Leeds. The Standards Committee is responsible for ensuring high standards of conduct are met within the parishes and that every Member is aware of their responsibilities under the code of conduct.

The Parish and Town Councils in the Authority's area are:

Aberford & District	Collingham with Linton	Morley
Allerton Bywater	Drighlington	Otley
Alwoodley	East Keswick	Pool-in-Wharfedale
Arthington	Gildersome	Pudsey
Austhorpe	Great and Little Preston	Scarcroft
Bardsey Cum Rigton	Harewood	Shadwell
Barwick in Elmet & Scholes	Horsforth	Swillington
Boston Spa	Kippax	Thorner
Bramham cum Oglethorpe	Ledsham	Thorp Arch
Bramhope and Carlton	Ledston with Ledston Luck	Walton
Clifford	Micklefield	Wetherby
Wothersome (Parish Meeting)		



Annual Return form - 2010

Authority name Leeds City Council
Primary contact Nicole Jackson
Primary contact email nicole.jackson@leeds.gov.uk

PART 1: COMMUNICATION

Annual Report

Does the standards committee produce an annual report?

Yes

What does the report contain?

- | | |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> A personal statement by the standards committee chairman | <input checked="" type="checkbox"/> Information about the members of the standards committee |
| <input checked="" type="checkbox"/> The role of the standards committee | <input checked="" type="checkbox"/> The standards committee terms of reference |
| <input type="checkbox"/> Information about the Code of Conduct | <input checked="" type="checkbox"/> Statistical information about complaints that have been received |
| <input type="checkbox"/> Information about the length of time taken dealing with complaints | <input type="checkbox"/> A summary of complaints which have led to investigation, sanction or other action |
| <input checked="" type="checkbox"/> Details about training/events provided | <input checked="" type="checkbox"/> The forward work plan of the standards committee |
| <input checked="" type="checkbox"/> Other | |

Please describe what "Other" contents are in the report.

Key achievements of the Standards Committee throughout the year and what they perceive to be their challenges for the year ahead.

A list of the Parish and Town Councils in Leeds and web addresses where relevant.

A list of places to find further information.

Details about the role of the monitoring officer, and brief details of the officers who support the Standards Committee.

This year (Annual Report 2009 – 2010) we will also include information about the length of time taken in dealing with complaints, including the average time taken to complete initial assessment and the average length of investigations, and a summary of complaints which have resulted in a hearing.

How is the standards committee annual report circulated?

- | | |
|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Sent to all senior officers | <input checked="" type="checkbox"/> Sent to all members |
| <input checked="" type="checkbox"/> Sent to parish/town councils | <input checked="" type="checkbox"/> Available on the authority intranet |
| <input checked="" type="checkbox"/> Available as a specific item on the authority website | <input checked="" type="checkbox"/> Available in the standards committee papers published on the authority website |
| <input checked="" type="checkbox"/> Included as a full authority meeting agenda item | <input type="checkbox"/> Publicised in local press |
| <input type="checkbox"/> Distributed to households | <input checked="" type="checkbox"/> Available at authority offices |
| <input type="checkbox"/> Not circulated outside of the standards committee | <input checked="" type="checkbox"/> Other |

The report is "Available as a specific item on the authority website", please provide the web address.

[http://democracy.leeds.gov.uk/ecSDDisplay.aspx?](http://democracy.leeds.gov.uk/ecSDDisplay.aspx?NAME=SD249&ID=248&RPID=692403&sch=doc&cat=519&path=467,519)

[NAME=SD249&ID=248&RPID=692403&sch=doc&cat=519&path=467,519](http://democracy.leeds.gov.uk/ecSDDisplay.aspx?NAME=SD249&ID=248&RPID=692403&sch=doc&cat=519&path=467,519)

The report is "Available in the standards committee papers published on the authority website", please provide the web address.

<http://democracy.leeds.gov.uk/ieListDocuments.aspx?Cid=104&MId=3446&Ver=4>

Please describe the "Other" circulation methods.

This year (Annual Report 2009-2010) we will also be sending the Annual Report to

all senior officers and issuing a press release about the report.

Publicising Complaints

How can the public access information about how to make a complaint against a member?

- | | |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Through a 'compliments and complaints' type section of the council website | <input checked="" type="checkbox"/> Through the standards committee section of the website |
| <input checked="" type="checkbox"/> Complaints leaflets available from the authority | <input type="checkbox"/> Included as part of a council newsletter |
| <input checked="" type="checkbox"/> Advertised through parish councils | <input type="checkbox"/> Information is not available to the public |
| <input checked="" type="checkbox"/> Other | |

The information is on the "compliments and complaints' type section of the council website", please provide the web address.

http://www.leeds.gov.uk/Council_and_democracy/Councillors_democracy_and_electio

The information is on "standards committee section of the website", please provide the web address.

<http://democracy.leeds.gov.uk/mgCommitteeDetails.aspx?ID=104>

Please describe the "Other" places the public can access this information.*

Posters were sent to Citizen's Advice Bureaux in Leeds and are displayed in all Council buildings, including one stop centres and libraries.

Also staff in the Council's Contact Centre are trained to forward complaints to the Monitoring Officer which concern the behaviour of Councillors.

How can the public access information about the outcome of initial assessment decisions?

- | | |
|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Written summary available for public inspection | <input type="checkbox"/> All initial assessment decisions are publicised in the local press |
| <input type="checkbox"/> Publicised in the local press only if the subject member agrees | <input checked="" type="checkbox"/> Assessment decisions published on the authority website |
| <input type="checkbox"/> Articles published in the authority newsletter | <input checked="" type="checkbox"/> Other |

Please describe the "Other" ways initial assessments are available.

The Assessment and Review Sub-Committees produce minutes of their meetings, as well as a case summary which is kept in Civic Hall and made available for public inspection. The minutes are published on the Council's website and as part of the Standards Committee agenda, and the full Council agenda. The minutes are anonymised and do not contain any details about the allegations.

How can the public access information about the outcome of investigations?

- | | |
|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Hearings are open to the public | <input type="checkbox"/> All investigation outcomes are publicised in the local press |
| <input checked="" type="checkbox"/> Publicised in the local press only if the subject member agrees | <input checked="" type="checkbox"/> Published on the authority website |
| <input type="checkbox"/> Decision notices are available for public inspection | <input type="checkbox"/> Articles in the authority newsletter |
| <input checked="" type="checkbox"/> Other | |

Please describe the "Other" ways investigation outcomes are available.

Minutes of the Consideration Sub-Committee meeting and an open covering report by the Monitoring Officer (which details the outcome of the investigation but not the names of the parties) are published on the Council's website. If the Sub-Committee decide it is in the public interest the full investigation report would also be published. If the Member has not breached the Code the notice would only be placed in the Yorkshire Evening Post if they agreed (as per Reg 17(4)). During the pre-hearing process the parties can request that all or some of the hearing is held in private. Such requests would be considered by the Hearings Sub-Committee and decisions made on a case by case basis. The written decision of the Hearings Sub-Committee would be published on the Council's website, with the minutes, and a notice is published in the Yorkshire Evening Post. If the Member did not breach the Code, they could request it is not published, as per Reg 20(2(b)).

Do you have a mechanism in place for measuring the satisfaction of all those involved

in allegations of misconduct? For example the member, complainant and witnesses.

Yes

If yes, please can you describe the process?

We carry out an annual survey of all Councillors and Parish and Town Councillors asking what they think to each stage of the complaints process and what improvements they would like to see. At the end of each complaint we also ask the subject Member and the complainant for feedback on the process. Both sets of results are reported to the Standards Committee on an annual basis alongside recommendations for how the process could be improved. This year's review led to the Council changing its approach to notifying Members that a complaint has been made about them before the Assessment Sub-Committee has met to consider the matter. The Standards Committee resolved that Members should have a choice about whether they are notified prior to the Assessment Sub-Committee meeting or whether they wish to wait until they can be given a summary of the complaint alongside the decision in the form of a decision notice. This was in response to concerns from some Members that the previous procedure had caused them particular worry or concern, which was later found to be unnecessary.

At the end of each hearing the Standards Committee is also required to review the relevant sections of the Standards Committee Procedure Rules in light of any issues that have arisen during the case.

Finally, the Assessment and Review Sub-Committees consider whether there are any lessons to learn from the cases they have considered at the end of each meeting. Any recommendations would be considered by the Monitoring Officer and appropriate changes made. For example, suggestions have been made regarding the amount of readily obtainable information provided with the complaint, and the format of the agenda itself.

Communicating the role and work of the standards committee and standards generally

What does the authority do to promote the work of the standards committee and standards generally to the rest of the authority (i.e. internally)?

- | | |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Dedicated standards committee pages on intranet | <input checked="" type="checkbox"/> Standards committee has its own newsletter / bulletin |
| <input type="checkbox"/> Standards committee issues briefing notes | <input type="checkbox"/> Articles in employee newsletter / bulletin / newspaper |
| <input checked="" type="checkbox"/> Standards committee independent members observe other authority meetings | <input checked="" type="checkbox"/> Standards committee independent members contribute to other authority meetings |
| <input checked="" type="checkbox"/> Other | |

Please give further details of the contributions made to other authority meetings.

The Chair of the Standards Committee is a co-opted non-voting Member of the Corporate Governance and Audit Committee. This arrangement is set out in Article 9 of the Constitution.

Please describe the "Other" methods used.

Independent and Parish Standards Committee Members shadow elected Members of Leeds City Council by attending ward surgeries. This is part of the Standards Committee's Training Plan to help the external Members understand the role of a City Councillor.

The Chair of the Standards Committee meets with the Leaders of all the Political Groups and the Chief Executive on a quarterly basis with the Monitoring Officer. The minutes of Standards Committee meetings are received by the Corporate Governance and Audit Committee and Full Council. The Standards Committee also provide a six monthly update on their work to the Corporate Governance and Audit Committee (one of these reports is the Annual Report).

How can the public access information about your standards committee?

- | | |
|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Dedicated standards committee section on the authority website | <input checked="" type="checkbox"/> Within 'council and democracy' type section of website |
| <input type="checkbox"/> Ethical standards issues have been included in the local press / media | <input checked="" type="checkbox"/> Standards committee minutes, agendas, and reports are available to the public |
| <input checked="" type="checkbox"/> Leaflets and/or posters are placed in public buildings | <input checked="" type="checkbox"/> Places articles in the authority newsletter / bulletin / other publication |
| <input checked="" type="checkbox"/> Standards committee meetings are observed by members of the public | <input type="checkbox"/> Information is not available to the public |
| <input type="checkbox"/> Other | |

Please provide the web address for the standards committee section on the authority website.

<http://democracy.leeds.gov.uk/mgCommitteeDetails.aspx?ID=104>

Please provide the web address for information within the council and democracy section of your website.

<http://democracy.leeds.gov.uk/ieListMeetings.aspx?CIId=104&Year=2010>

What else does the authority do to promote the work of the standards committee and standards generally to the public and other partners?

We publish our own bi-monthly newsletter called "Governance Matters" which highlights front page news and the regular work of the governance committees, as well as providing guidance on one key governance area per issue. This is available to the general public through the Council's website.

Our Chair is the Chair of the West Yorkshire Fire Authority's Standards Committee, a Director without Portfolio in the Association of Independent Members of Standards Committees in England, a member of the SfE's Annual Assembly Steering Group, and the Chair of the Yorkshire and the Humber Independent Members' Forum, raising the profile of the Standards Committee.

We work with other West Yorkshire authorities, particularly through our Monitoring Officer who has monthly meetings with her counterparts to discuss any ethical governance issues. Our Monitoring Officer led a session on "Managing Investigations" at the Annual Assembly which shared our experience in this area. The Chair and the Monitoring Officer also arranged the West Yorkshire Regional Standards Conference with their counterparts to share best practice.

Our Toolkit for Partnership Governance supports the Council's Framework for Significant Partnerships, and provides advice for partnerships on how to put in place codes of conduct and procedures for dealing with conflicts of interest. The Standards Committee have reviewed the toolkit.

We work with Parishes in Leeds through our Parish and Town Council Charter, Liaison Forum, and annual Spring Conference. This year our presentation at the Conference focused on local assessment and what a Member could expect if a complaint was made about them, reducing fears surrounding the process. We also send each Clerk a letter regarding every Standards Committee agenda highlighting matters of interest to Parish Councils.

The Committee has a communications plan which is kept under regular review to ensure it is communicating effectively with these different audiences.

PART 2: INFLUENCE

How does the standards committee communicate ethical issues to the senior figures within your authority (for example the Chief Executive and Leader of the Authority, Party Leaders)?

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Formal meetings between standards committee members and senior figures specifically set up to discuss standards | <input type="checkbox"/> Informal discussion on particular standards issues |
| <input type="checkbox"/> Senior figure attendance at standards committee meetings | <input checked="" type="checkbox"/> Monitoring Officer is a member of or attends Corporate Management Team (or equivalent) meetings |
| <input checked="" type="checkbox"/> Executive or senior member has portfolio responsibility for standards | <input type="checkbox"/> Chair (or other standards committee member) addresses full authority meeting(s) |
| <input type="checkbox"/> Other | |

How do the senior figures in your authority demonstrate strong ethical values?

- | | |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Through a strongly promoted whistle-blowing policy | <input checked="" type="checkbox"/> By ensuring there are references to ethics in the authority vision / objectives |
| <input checked="" type="checkbox"/> Demonstrating appropriate behaviours | <input type="checkbox"/> Senior figure(s) makes personal commitment to standards in statements to public/employees |
| <input checked="" type="checkbox"/> Through any other method | |

Describe the "Other" ways that this is achieved.

Our "Aspirational Culture" was launched last year at the "from good to great" leadership challenge event, bringing together the Council's leaders and helping them align their thoughts towards a common purpose by embedding key leadership messages. These messages included great governance, behaviours and values. This "Aspirational Culture" is now embedded across the Council, with standards and ethics forming an integral part of each element.

Does your authority have a protocol for partnership working that outlines the standards of behaviour expected of all those working in partnership?

Yes

What mechanisms does the authority use for dealing with member/officer and/or member/member disputes?

- | | |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Informal discussion/mediation | <input checked="" type="checkbox"/> Monitoring Officer mediation |
| <input type="checkbox"/> Chair of standards committee mediation | <input type="checkbox"/> Senior figure mediation (e.g. Chief Executive) |
| <input type="checkbox"/> Advice from Human Resources department | <input type="checkbox"/> Solicitor / legal adviser consulted |
| <input type="checkbox"/> Informal hearing | <input type="checkbox"/> No mechanisms other than normal complaints process |
| <input checked="" type="checkbox"/> Other | |

Describe the "Other" mechanisms used.

The procedure for Members and officers to follow when facing a breakdown in relations is outlined in the Protocol for Member / officer Relations. Members are told they can raise the issue with the officer is appropriate, otherwise they should raise the matter with the relevant Director. The Monitoring Officer would report any such behaviour by Members to the relevant Group Whip or Leader for them to take appropriate action. If an officer was found to have breached the Member / officer Protocol they may face disciplinary action.

PART 3: TRAINING AND SUPPORT

Between 1 April 2009 and 31 March 2010, has the authority assessed the training and development needs of authority members in relation to their responsibilities on standards of conduct?

Yes

If yes, what needs were identified?

- | | |
|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Introduction to the Code of Conduct | <input checked="" type="checkbox"/> Elements of the Code of Conduct |
| <input checked="" type="checkbox"/> The role and responsibilities of the standards committee | <input checked="" type="checkbox"/> Ethical governance/behaviour |
| <input type="checkbox"/> None | <input type="checkbox"/> Other |

What training/support was provided during the period 1 April 2009 to 31 March 2010?

- | | |
|------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Introduction to the Code of Conduct | <input checked="" type="checkbox"/> Elements of the Code of Conduct |
| <input checked="" type="checkbox"/> Role and responsibilities of the standards committee | <input checked="" type="checkbox"/> Ethical governance/behaviour |
| <input type="checkbox"/> None | <input checked="" type="checkbox"/> Other |

Describe the "Other" training/support provided.

Training has been provided to certain Members on the governance and conduct issues surrounding Planning and Licensing decisions, and training has been provided for Standards Committee Members on how to assess complaints. There was also specific training provided on conducting hearings.

Who received training/support?

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Standards committee chair | <input checked="" type="checkbox"/> Independent members |
| <input checked="" type="checkbox"/> Other standards committee members | <input type="checkbox"/> All authority members |
| <input checked="" type="checkbox"/> Specific authority members with particular needs (e.g. new members, planning committee members) | <input type="checkbox"/> Other |

What methods were employed to give training/support?

- | | |
|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Internal training (presentations/seminars/workshops) | <input checked="" type="checkbox"/> External trainer/speaker |
| <input checked="" type="checkbox"/> One on one training | <input checked="" type="checkbox"/> Joint/regional training event |
| <input checked="" type="checkbox"/> Online learning | <input checked="" type="checkbox"/> Guidance notes/briefing materials |
| <input checked="" type="checkbox"/> Standards for England materials | <input type="checkbox"/> Ethical governance toolkit |
| <input checked="" type="checkbox"/> Other | |

Describe the "Other" methods used.

We have used written case studies which have been created specifically for the Planning and Licensing Training which focus on areas of the Code of Conduct and also predetermination and bias issues. We have also created case studies to be used in training for Standards Committee Members on the Local assessment of complaints.

In which areas of the Code of Conduct has training/support been provided?

- | | |
|------------------------------------------------------|--------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Respect | <input checked="" type="checkbox"/> Personal/Prejudicial Interests |
| <input checked="" type="checkbox"/> Use of resources | <input checked="" type="checkbox"/> Bullying |
| <input checked="" type="checkbox"/> Disrepute | <input checked="" type="checkbox"/> Predisposition, Pre-determination and bias |
| <input checked="" type="checkbox"/> Equality | <input checked="" type="checkbox"/> Confidentiality |
| <input checked="" type="checkbox"/> Other | |

Describe the "Other" areas covered.

All elements of the Code of Conduct

What other training/support has been provided on areas of an authority member's role or activities they may engage in?

- | | |
|-------------------------------------------------------------------------------|------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Chairing skills | <input checked="" type="checkbox"/> Lobbying |
| <input checked="" type="checkbox"/> Predetermination, Predisposition and bias | <input type="checkbox"/> Blogging and/or the use of social media |
| <input type="checkbox"/> Electioneering | <input checked="" type="checkbox"/> Freedom of Information (FOI) |
| <input type="checkbox"/> None | <input checked="" type="checkbox"/> Other |

Describe the "Other" training/support provided.

Dealing with the media, public speaking, finance, ICT, equality and diversity, scrutiny, planning and licensing, corporate parenting, and risk management.

In general, how well attended was the training provided?

75% or more of those invited

Please give a brief overview of how standards issues are covered in your induction process for new members of the authority?

Members are provided with the copy of the Code of Conduct within their induction pack and guidance on how to complete their register of interests. Members then have a face to face training session on the Code, usually split into two sessions, one on general obligations and another on interests. These sessions are generally attended by the Monitoring Officer. Members are also provided with guidance from Standards for England and our own e-learning module on the Code. Election candidates are provided with a copy of the induction programme (including dates) in April so they can prepare to attend.

In which areas of the role and responsibilities of the standards committee has training/support been provided for standards committee members? Please tick all that apply.

- | | |
|---------------------------------------------------------|------------------------------------------------------------|
| <input checked="" type="checkbox"/> Initial assessments | <input checked="" type="checkbox"/> Other action/mediation |
| <input checked="" type="checkbox"/> Reviews | <input checked="" type="checkbox"/> Investigations |
| <input checked="" type="checkbox"/> Hearings | <input checked="" type="checkbox"/> Sanctions |
| <input checked="" type="checkbox"/> Other | |

Describe what "Other" areas were covered.

Training has also been provided to the Standards Committee on how to consider final investigation reports.

PART 4: INVESTIGATIONS

Have any investigations been completed during the period 1 April 2009 - 31 March 2010? Yes

How many investigations have been completed during this period?

6

Have any of the investigations used external investigators? Yes

Of the investigations completed during the period, for how many have external investigators been used?

6

Overall, what was your principle reason for out-sourcing the investigation(s)?

To complete the investigation sooner

What type of external investigator(s) did you use?

Employee of another authority

Self-employed investigator

Private law firm

Other

For the period 1 April 2009 to 31 March 2010, what was the approximate total cost of fees paid to the external investigator(s) for completed cases?

£19000.00

Please provide a brief overview of the processes you have in place to ensure the quality of local investigations.

We have created and adopted a Procedure for external Code of Conduct investigations which places strict requirements on the investigator keep the authority informed on the progress of the investigation. This includes regular updates with one point of contact within the authority, and the requirement to produce detailed investigation plans and reviews (including details of interviews to be conducted). The procedure makes the terms of the delegation clear and gives points of contact for queries during the investigation. The draft report is also forwarded to the Monitoring Officer before being sent to the parties for comments, so that any areas of disagreement can be dealt with. We also provide templates for reports and letters etc. so that the information presented to the Standards Committee is all of the same quality.

PART 5: RELATIONSHIPS WITH PARISH AND TOWN COUNCILS

Has your authority provided training for parish councillors during the period 1 April 2009 to 31 March 2010?

Yes

If yes, what topics did the training cover?

- | | |
|------------------------------------------------------------------------|-------------------------------------------------------------------|
| <input type="checkbox"/> Freedom of Information (FOI) | <input type="checkbox"/> Confidential information |
| <input checked="" type="checkbox"/> Planning | <input type="checkbox"/> Lobbying |
| <input type="checkbox"/> Dual-hatted members | <input checked="" type="checkbox"/> The Code of Conduct generally |
| <input checked="" type="checkbox"/> Personal and prejudicial interests | <input checked="" type="checkbox"/> Bullying |
| <input checked="" type="checkbox"/> Other | |

What "Other" topics did the training cover?

Training on the local assessment process and the role of the Standards Committee
Access to Planning Information
New Regional Working Arrangements
Customer Services - What We Do
The Power to Promote Well-being
The Future of Development Sustainable Communities
Rights of Way

What methods were employed to give training/support?

- | | |
|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Internal training (presentations/seminars/workshops) | <input checked="" type="checkbox"/> External speakers |
| <input type="checkbox"/> One on one training | <input checked="" type="checkbox"/> Joint/regional event |
| <input checked="" type="checkbox"/> Guidance notes/briefing materials | <input checked="" type="checkbox"/> Standards for England's materials |
| <input type="checkbox"/> CALC speakers | <input checked="" type="checkbox"/> Part of wider parish liaison meeting |
| <input type="checkbox"/> Other | |

In general, how well attended was the training for parish councillors?

0-25%

Has your authority provided training for parish clerks during the period 1 April 2009 – 31 March 2010?

Yes

What topics did the training for parish clerks cover?

- | | |
|------------------------------------------------------------------------|-------------------------------------------------------------------|
| <input type="checkbox"/> Freedom of Information (FOI) | <input type="checkbox"/> Working with confidential information |
| <input checked="" type="checkbox"/> Planning | <input type="checkbox"/> Lobbying |
| <input type="checkbox"/> Dual-hatted members | <input checked="" type="checkbox"/> The Code of Conduct generally |
| <input checked="" type="checkbox"/> Personal and prejudicial interests | <input checked="" type="checkbox"/> Bullying |
| <input checked="" type="checkbox"/> Other | |

What "Other" topics did parish clerks training cover?

Training on the local assessment process and the role of the Standards Committee
Access to Planning Information
New Regional Working Arrangements
Customer Services - What We Do
The Power to Promote Well-being
The Future of Development Sustainable Communities
Rights of Way

What methods were employed to give training/support to parish clerks?

- | | |
|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| <input type="checkbox"/> One on one training | <input checked="" type="checkbox"/> Internal training (presentations/seminars/workshops) |
| <input checked="" type="checkbox"/> External speakers | <input checked="" type="checkbox"/> Guidance notes/briefing materials |
| <input checked="" type="checkbox"/> Standards for England's materials | <input checked="" type="checkbox"/> Joint authority/regional event |
| <input type="checkbox"/> Other | |

In general, how well attended was the training for parish clerks?

0-25%

Does your council have a COMPACT (a formal agreement with your county Association of Local Councils about supporting standards for parish and town councils in the area)?

Yes

Describe the relationship between your authority and your County Association of Local Councils in relation to standards. For example, how regularly do you interact with them? Are you involved in delivering joint training?

We have interacted with them in relation to the appointment of Parish Members of Standards Committee (roughly once a year), and in relation to training available to Parish Councils. We do not deliver joint training, but we do make Parishes aware that they can access training from the YLCA.

Standards for England and Teesside University are currently researching the role of the Parish Liaison Officer. Teesside University have created a brief questionnaire to assess the organisational background, functions and skills needed to carry out the Parish Liaison role. Does your authority have a Parish Liaison Officer?

Yes

Does the Parish Liaison Officer (or the person who fulfils the same functions) consent for the University of Teesside to contact them to complete a brief questionnaire about their role?

Yes

If yes, please provide contact details (where there are multiple Parish Liaison Officers, just provide one contact):

Name

Mr Ian Cornick, Resources and Projects Manager, Democratic Services

Contact address

4th Floor West, Civic Hall, Calverley Street, Leeds, LS1 1UR

Contact phone

0113 2243206

Email address

ian.cornick@leeds.gov.uk

What steps have you taken when dealing with parishes which have had problems with standards issues? For example, what preventative or capacity building work have you done with parishes?

Our Parishes have not generally experienced problems with Standards issues. As a result of the Annual Audit we are providing specific advice to Parish and Town Councils in standards issues, such as the registration of interests and recording of declarations of interests in meetings. We are considering working with one of our Parishes to assist them with improving their corporate governance arrangements, including having clear lines of accountability and publicising information.

Which of the following areas would you like Standards for England to produce additional guidance on to support your work with parishes?

- | | |
|------------------------------------------------------------|---------------------------------------------------------------|
| <input checked="" type="checkbox"/> Lobbying | <input checked="" type="checkbox"/> Predetermination and bias |
| <input checked="" type="checkbox"/> Planning and interests | <input checked="" type="checkbox"/> Dual-hatted members |
| <input type="checkbox"/> Other | |

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Report of the Chief Officer (Audit & Risk)

Corporate Governance and Audit Committee

Date: 30th June 2010

Subject: Assurance Framework

<p>Electoral Wards Affected:</p> <div style="border: 1px solid black; display: inline-block; width: 20px; height: 10px; vertical-align: middle;"></div> Ward Members consulted (referred to in report)	<p>Specific Implications For:</p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input type="checkbox"/></p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

1.0 Purpose Of This Report

1.1 This report will seek to explain the basis of the Internal Control Assurance Framework, the benefits of having such a framework, and the effect this may have on influencing the work programme of the Corporate Governance and Audit Committee (CGAC).

2.0 Background Information

2.1 Terms of reference for CGAC provide that the committee is authorised to discharge a number of functions. The key functions in respect of internal control and assurance require the committee to review the adequacy of the Council's corporate governance arrangements (including matters such as internal control and risk management) and review the adequacy of policies and practices to ensure compliance with statutory and other guidance.

2.2 In addition, the Accounts and Audit Regulations require authorities to review the effectiveness of their system of internal control at least once a year. The finding of that review must be considered by a committee of the Council and a statement on internal control published.

2.3 For clarity and ease of reference, a glossary has been included at appendix A to define some of the terms used in the report.

3.0 The Assurance Framework

3.1 To assist CGAC in determining a proportionate and risk-based response to the responsibilities of the committee (see para 2.1 above), an assurance framework has been developed and this is attached as appendix B.

- 3.2 The purpose of this framework is to provide a visual representation of the entire control environment (as far as this is possible) and indicate the assurances the committee can expect to be provided during the course of the year and culminating in evidence to enable the chair to approve a robust annual governance statement. When the assurance framework is operating fully, it will also provide an early warning mechanism to alert the committee to potential failures in the control environment and the impact of those potential failures.
- 3.3 As can be seen, the Committee has many sources from which assurances on the control environment can be drawn. The Corporate Governance Board (an officer group) and the proposed Internal Control Environment Board (also an officer group), will give timely assurances on the extent to which the key policies and procedures that drive the culture of the organisation are being effective. This will include assurances that policies and procedures are:
- up to date,
 - fit for purpose,
 - have been effectively communicated,
 - routinely complied with and
 - their efficacy appropriately monitored?
- 3.4 Given the current economic environment in which the Council operates particular emphasis should be placed on ensuring the Council has in place a robust anti-fraud culture alongside a comprehensive value for money strategy. It is suggested that specific assurance should be sought on these two key areas.
- 3.5 Clearly, any assessment or opinion provided as part of the assurance framework must be evidenced based. Any opinion should reference the work from which the opinion is derived. Subjective opinion is likely to be unreliable and not sufficiently robust.
- 3.6 The next sections include a brief commentary on the various elements of the assurance framework
- 3.7 The assurance framework includes cross cutting policies and procedures, such as HR policies and procedures and parts of the control environment that should be consistent across the Council, such as risk management arrangements. Members may determine to seek assurances in line with the five-point assessment from those officers with the corporate professional responsibility for each discipline. For example, the Chief Officer (Audit & Risk) should be required to provide an assurance on the Council's risk management arrangements, including an evidence based opinion on whether risk management arrangements are up to date, fit for purpose etc.
- 3.8 The assurance framework also includes independent assessments from Internal Audit, the Council's external auditors (KPMG) and inspectorates. Indeed, the Head of Internal Audit is required to give provide a written report to those charged with governance timed to support the Annual Governance Statement.

- 3.9 The Head of Internal Audit's annual report to the Council must:
- include an opinion on the overall adequacy and effectiveness of the Council's control environment
 - disclose any qualifications to that opinion, together with the reasons for the qualification
 - present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies
 - draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement
 - compare the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and criteria
 - comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.
- 3.10 Internal Audit also provided assurance on the key financial systems to the Council statutory financial officer, giving an opinion on the control environment and compliance with the control environment. Ordinarily, and if this work is of a sufficiently high standard, the Council's external auditors rely on this work on the key financial systems as part of their review of financial statements. In this context, examples of key financial systems are the creditors system, the payroll system and the wider financial management procedures.
- 3.11 Fundamental to the assurance framework is a series of independent compliance checks undertaken by Internal Audit– are key policies and procedures being complied with in practice? The Internal Audit plan for 2010/11 includes an allocation of time to undertake such checks. On the scale planned, this is a departure from practice in previous years as 'system validation' reviews have consistently drawn the conclusion that systems are sound but there are example of non-compliance with established system controls.
- 3.12 The assurance framework could also include assurances from significant partners on the extent to which objectives outlined in the performance management framework have been achieved and the extent to which the Council's policies and procedures have been complied with in delivering the outcomes (assuming compliance with policies and procedures are included in the contract and/or performance management framework).
- 3.13 There is currently no framework in place for 'directorate assurances'; departmental assurance that objectives are being achieved and policies and procedures complied with at a departmental level. In the current economic climate the advantages of this type of assurance will have to be carefully weighed against the cost of control ie do the additional burdens bring benefits that outweigh the costs of introducing such controls. Directorate assurances may include, for example, determining whether objectives are aligned to Corporate Priorities, if risk registers are completed and monitored, and if appropriate performance indicators are monitored.
- 3.14 The assurance framework also includes cross cutting policies such as anti-fraud and corruption policy, whistle-blowing arrangements, the medium term financial plan (and arrangements to deal with diminishing financial resources) and the emerging corporate approach to ensuring the Council delivers value for money.

4.0 Benefits of the Assurance Framework

- 4.1 The framework demonstrates the complexity of the overall assurance framework and allows a systematic and risk based approach to the assurances needed to provide an early warning system, produce an annual governance statement that accurately reflects the current position in the Council and an improvement plan that will add value and help achieve objectives. Such a systematic approach with its evidenced based opinion gives greater assurance that the conclusions reached are valid and credible. Key to the success of the assurance framework is the improvement plan part of the annual governance statement.
- 4.2 An understanding and knowledge of the assurance framework should then be used to determine a strategy to gain the assurance necessary to give an evidence based opinion on the adequacy and effectiveness of the control environment. Every organisation needs an efficient and effective framework of assurance to satisfy itself the risk to its objectives, and the risks inherent in undertaking its work, have been properly identified and are being managed by controls that are adequately designed and effective in operation.
- 4.3 The current economic pressures facing the Council will undoubtedly focus attention on the cost of control. A mature assurance framework and an understanding of organisation risk will help ensure the right level of controls remain within the control environment.

5.0 Conclusions

- 5.1 Knowledge of the working definition of the Council's assurance framework should help produce a robust, timely and accurately Annual Governance Statement. The forward work programme for the Corporate Governance and Audit Committee should be informed by the assurances necessary to produce a fit for purpose Annual Governance Statement.

6.0 Recommendations

- 6.1 Officers are requested to bring forward a revised work programme for the committee based on the views expressed by Members in considering the working definition of the assurance framework.

Appendix A – Glossary of terms and definitions.

Control Environment

The control environment comprises the systems of governance, risk management and internal control. The key elements of the control environment include:

- establishing and monitoring the achievement of the organisation's objectives
- the facilitation of policy and decision-making ensuring compliance with established policies, procedures, laws and regulations – including how risk management is embedded in the activity of the organisation, how leadership is given to the risk management process, and how staff are trained or equipped to manage risk in a way appropriate to their authority and duties
- ensuring the economical, effective and efficient use of resources, and for securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness
- the financial management of the organisation and the reporting of financial management
- the performance management of the organisation and the reporting of performance management.

Corporate Governance

Corporate governance is the way in which the Council is directed and controls and relates to its communities

Risk Management

The term applied to a logical and systematic method of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating the risks associated with any activity, function or process in a way that will enable the organisation to minimise losses and maximise opportunities.

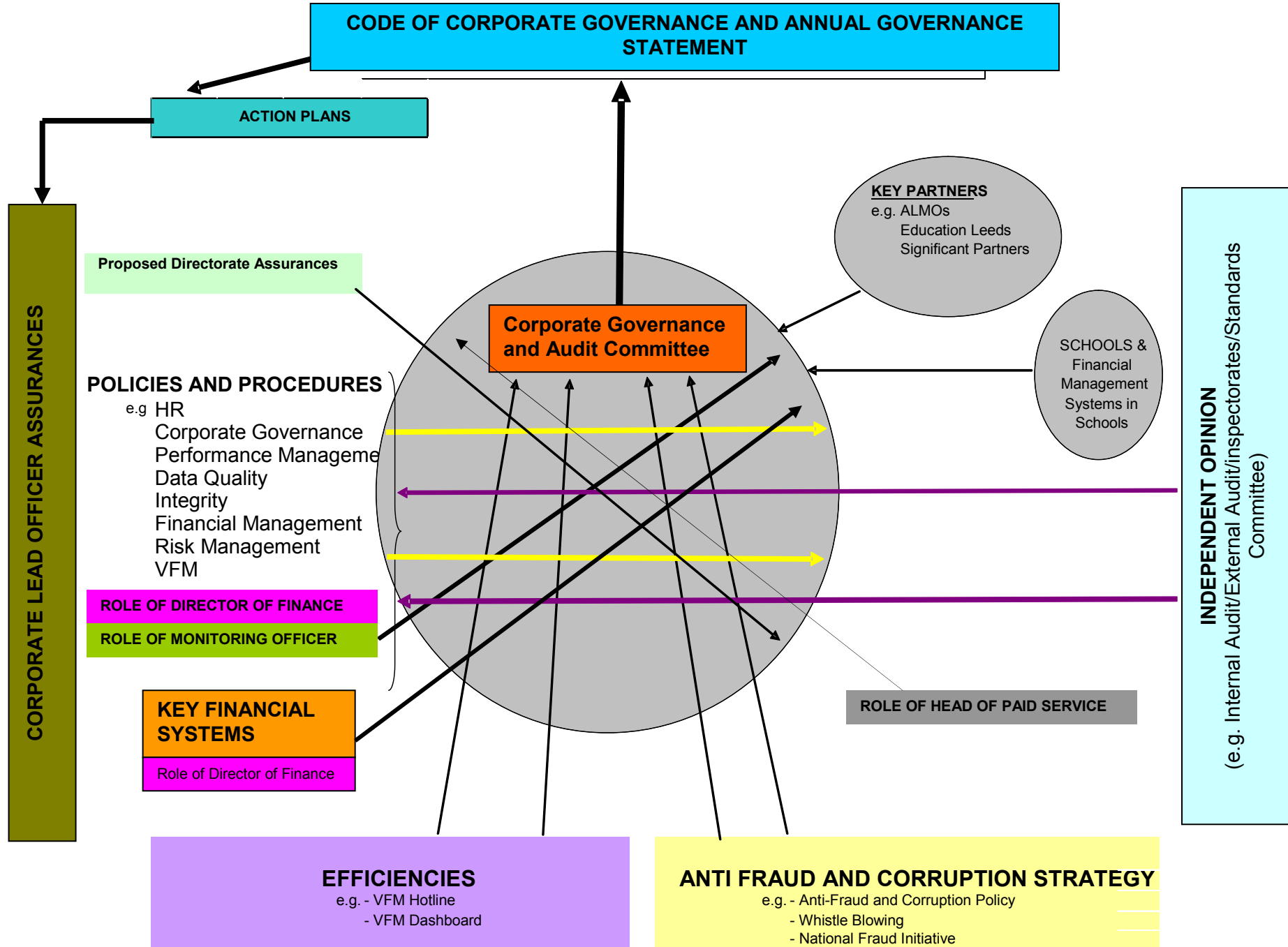
System of Internal Audit

A term used in Regulation 6(3) of the Accounts and Audit Regulations, which requires an annual review of the effectiveness of the system of internal audit. Usually synonymous with 'Internal Audit', but embraces the infrequent situation where an organisation uses different agencies (internal or external) to deliver its internal audit responsibilities

Internal Controls

Ensure that the processing procedures operate in an orderly and efficient manner, statutory and management requirements are complied with, assets are safeguarded, completeness and accuracy of records are secured and identifies and corrects when something has gone wrong

GOVERNANCE ASSURANCE FRAMEWORK



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Originator: Phil Garnett

Tel: 51632

Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 30 June 2010

Subject: Work Programme 2010/11

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose Of This Report

1.1 The purpose of this report is to notify members of the Committee of the draft work programme for the current municipal year. The draft work programme is attached at Appendix 1 to this report.

2.0 Background Information

2.1 The work programme provides information about future items for the Corporate Governance and Audit Committee agenda, when items will be presented and the which officer will be responsible for the item.

3.0 Main Issues

3.1 The draft work programme for 2010/11 is attached at Appendix 1.

3.3 Members are requested to consider whether they wish to add any items to the work programme.

4.0 Implications for Council Policy And Governance

4.1 There are no implications for Council Policy and Governance.

5.0 Legal And Resource Implications

5.1 There are no legal or resource implications.

6.0 Recommendations

- 6.1 Members are asked to note the draft work programme and advise officers of any additional items they wish to add.

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
29th July 2010 – 10a.m.		
Annual Internal Audit Report	To receive the Annual Internal Audit Report (The Annual Internal Audit report to the Committee to gain assurance that the Council's systems and control environment are operating as intended)	Chief Officer (Audit and Risk) Tim Pouncey
Value for Money Arrangements	To receive a report regarding the Council's arrangements in relation to achieving Value for Money. (Report to be brought to the Committee to gain assurance that value for money is being achieved across the Council)	Director of Resources Alan Gay
Arrangements in response to the Children's Services Inspection	To receive a report to provide assurance that arrangements described in response to the inspection are operating as intended (Report requested at the meeting held on 17 th March 2010 following discussion on the CQC inspection of Children's Services)	Deputy Director Children's Services Mariana Pexton
Internal Audit Protocol	To receive a report detailing a revised Internal Audit Protocol to enable arrangements to be formalised. (Requested at the meeting held on 13 th January during the discussion of the Half Yearly Internal Audit item)	Head of Internal Audit Neil Hunter
Partnership Registration	To receive a report updating the Committee on the registration of Partnerships (Added to the agenda to ensure the Committee are up to date on progress made with embedding the partnership framework)	Head of Governance Service Andy Hodson

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
Section 106 and Section 278 Agreements – Update	<p>To receive a report which updates Members on the actions being taken to ensure the transparent monitoring of Section 106 and Section 278 agreements.</p> <p>(This report was requested by the Committee at the meeting held on 18th June 2008)</p>	Chief Officer (Planning Services) Phil Crabtree
RIPA policy	<p>To receive a report presenting the revised draft RIPA policy</p> <p>(This report is on the agenda following the initial draft being presented to the Committee at the meeting on 14th April where amendments were requested)</p>	Head of Property Finance and Technology Mark Turnbull
Fraudulent Tenancies	<p>To receive a report informing the Committee of the types of irregularities to identify where tenancy fraud may be occurring.</p> <p>(Requested at the meeting held on 14th April 2010 during discussion on the Fraudulent Tenancies item.)</p>	Strategic Landlord John Statham
Demographic Change	<p>To receive a report setting out the current and proposed arrangements for assessing demographic changes across the city as well as detailing a number of activities that are underway or have taken place.</p>	Chief Officer (Business Transformation) Lee Hemsworth
29th September 2010 – 10a.m.		
Audited Statement of Accounts	<p>To receive a report detailing any issues with the audited accounts.</p> <p>(This report is on the agenda as part of the Committee's Annual work programme)</p>	Chief Officer (Financial Management) Doug Meeson

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
Attempted Security Breaches	<p>To receive a report detailing any attempted security breaches that the Council has been subject to and the work done to reduce the impact and mitigate against such attempts.</p> <p>(This report is on the agenda following a request from the Committee during discussion on the Annual Information Security report at the meeting held on March 17th 2010)</p>	Chief Officer (Business Transformation) Lee Hemsworth
Annual Governance Statement	<p>To receive the final version of the Annual Governance Statement</p> <p>(This report is on the agenda as part of the Committee's Annual work programme)</p>	Head of Governance Services Andy Hodson
Local Government Ombudsman's Annual Letter	<p>To receive the annual letter from the Local Government Ombudsman.</p> <p>(This report is on the agenda as part of the Committee's Annual work programme)</p>	Corporate Customer Relations Manager Wendy Allinson
15th November 2010 - 10a.m.		
6 Monthly Update Report on risk Management	To receive a report updating members on the Council's risk management arrangements	Chief Officer (Audit and Risk) Tim Pouncey
Corporate Governance Statement Action Plan	To receive a report detailing progress made against actions in the Corporate Governance Statement Action Plan	Head of Governance Services Andy Hodson
Leeds City Region Governance Arrangements	<p>To receive the 6 monthly report on the governance arrangements of the Leeds City Region.</p> <p>(6 monthly update reports requested at the meeting held on 12th May 2010)</p>	Chief Officer (Leeds Initiative and Partnerships) Kathy Kudelnitzky

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
14th December 2010 – 2pm		
Compliance with the Governance Framework For Significant Partnerships.	To receive a report updating the Committee on progress made on ensuring that partnerships are complying with Governance Framework for Significant Partnerships. (This report was requested at the meeting held on 10 th February 2010 to ensure compliance with the Framework was improving.)	Head of Governance Services Andy Hodson
Leeds City Region Governance Arrangements	To receive a report updating the Committee on developments in the governance arrangements of the Leeds City Region (This report was requested as the meeting held on 12 th May 2010 during discussion on the governance developments of the Leeds City Region)	Chief Officer Leeds Initiative and Partnerships Kathy Kudelnitzky
Leeds City Region Governance Arrangements	To receive a report to ensure that the Council is in a position to engage with and influence the decisions taken by the proposed governance arrangements for the Leeds City Region. (Further reports requested at the meeting held on 10 th February 2010 with regards to the Governance arrangements of the Leeds City Region)	Chief Officer (Leeds Initiative and Partnerships) Kathy Kudelnitzky
24th January 2011 – 10am		
Half Year Internal Audit Report 2009/10	To receive a report detailing the work of the Internal Audit Section to date.	Head of Internal Audit Neil Hunter
Standards Committee Update Report	To receive a report summarising the activities of the Standards Committee over the last 6 months	Head of Governance Services Andy Hodson

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
14th February 2011 – 2p.m.		
No items currently scheduled		
21st March 2011 – 10a.m.		
Information Security Annual Report	To receive a report on the Council's Information Security arrangements	Chief Officer (Business Transformation) Lee Hemsworth
18th April 2011 – 10a.m.		
Annual Audit and Inspection Letter	To receive a report presenting the Annual Audit and Inspection Letter 2008/09.	Chief Officer (Audit and Risk) Tim Pouncey
Consultation on External Audit and Inspection Plan 2010/11	To receive a report consulting Members on the content of the External Audit and Inspection Plan 2010/11.	Chief Officer (Audit and Risk) Tim Pouncey
Corporate Governance Statement Action Plan	To receive a report detailing progress made against actions in the Corporate Governance Statement Action Plan.	Head of Governance Services Andy Hodson
Corporate Governance and Audit Committee Annual Report 2009/10	To receive a report presenting the draft Corporate Governance and Audit Committee Annual Report 2009/10.	Head of Governance Services Andy Hodson

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
11th May 2011 – 10a.m.		
Annual Report on Risk Management	To receive a report regarding the Council's risk management arrangements.	Chief Officer (Audit and Risk) Tim Pouncey
Annual Report on Delivering Successful Change	To receive a report presenting the annual report on Delivering Successful Change.	Chief Officer (Audit and Risk) Tim Pouncey
Annual Report on Community Engagement	To receive a report presenting the annual report on Community Engagement.	Assistant Chief Executive (Planning, Policy and Improvement) James Rogers
Annual Monitoring of Key and Major Decisions	To receive a report presenting the outcome of the monitoring process relating to Key and Major decisions.	Head of Governance Services Andy Hodson
Planning Decisions Process	To receive a report to gain assurance of the process by which planning decisions are taken by the Council. (This report was requested at the meeting held on 12 th May 2010 during discussions on the process by which planning decisions are taken by the Council)	Chief Planning Officer Phil Crabtree
Un-scheduled items for 2010/11		

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
Children's Services Performance Measurement	<p>To receive a report outlining a consistent process by which Children's Services can measure its own performance, including a 'traffic light' system.</p> <p>(Report to be brought to the Committee to gain assurance on the process used by Children's Services to measure its own performance)</p>	Interim Director of Children's Services Eleanor Brazil
Council and Partner responses to anti-social behaviour	<p>To receive a report detailing the results of the anti-social behaviour process review.</p> <p>(Report requested at the meeting held on 17th March 2010 following the overview of Council responses to anti social behaviour)</p>	Chief Officer Community Safety Simon Whitehead
Remuneration Committee	<p>To receive a report updating the Committee on the developments in relation to the creation of a Remuneration Committee</p> <p>(Report requested at the meeting held on 17th March 2010 following discussion on the progress made in establishing a Remuneration Committee)</p>	Chief Officer Human Resources Lorraine Hallam
Corporate Performance Management	<p>To receive a report detailing the wider corporate performance management governance adopted by the authority, that enables early warning of possible severe failure, rather than relying on inspection from external bodies.</p> <p>(Report requested at the meeting held on 17th March 2010 following discussion of the Ofsted and care Quality Commission Inspection of safeguarding and looked after Children's Services in Leeds)</p>	Assistant Chief Executive (Planning, Performance and Improvement) James Rogers

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