

---

## **STANDARDS COMMITTEE**

**9 November 2007**

Report of the Interim Head of Civic, Democratic and Legal Services

## **ETHICAL GOVERNANCE AUDIT**

### **Summary**

1. This report advises members of progress on the Ethical Governance Audit including the outcome of Stage 1 and seeks approval to the action to be taken.

### **Background**

2. The Audit Commission was commissioned to carry out an Ethical Governance Audit of the Council. The audit is undertaken as a three stage process:-
  - Stage 1 – this consists of an assessment of policies, procedures and practices against statutory requirements and best practice. Effectively, it is a review of the documentation in place to support the governance framework
  - Stage 2 – this is an assessment of the level of awareness of ethical governance issues by way of a questionnaire completed by Members and the first three tiers of officers
  - Stage 3 – this stage involves the delivery of workshops with members and officers to deal with issues arising out of the Stage 1 and 2 process.
3. The final Stage 1 report was published in August. A copy is attached as Annex 1 to this report.
4. The main conclusions of the report are that overall the Council's arrangements to deliver high ethical standards are satisfactory. There are some areas where arrangements could be strengthened and other areas where best practice could be adopted. These areas are detailed in the report at paragraphs 8 – 23 and in the appendix.
5. A further checklist and action plan has been prepared setting out the issues highlighted in Stage 1 and the action which is being, or has been, taken to address them. This is attached as Annex 2.

6. There are a number of issues which relate to the composition and role of the Standards Committee which will involve amendment to the Council's Constitution. These have been included in the work of Officer Governance Group and the Constitutional Project Board.
7. The Stage 2 report is still at draft stage and has yet to be signed off by the auditor. A further report will be brought to the Committee when it has been finalised.
8. A programme for the workshops for stage 3 has still to be arranged.

### **Consultation**

9. The Council's Officer Governance Group has considered the Stage 1 report and the conclusions/recommendations arising from it. The outcome of the Ethical Governance Audit will also be reported to the Audit and Governance Committee.

### **Options**

10. Members have the option of agreeing some or all of the recommendations set out in Annex 2 to this report.

### **Analysis**

11. The actions detailed in the Annex represent the views of the OGG as to the best way of taking forward the outstanding actions.

### **Corporate Priorities**

12. Implementation of the recommendations arising from the Ethical Governance Audit will contribute to the corporate priority of providing strong leadership for the city.

### **Implications**

13. There are no specific financial, HR, equalities, crime and disorder, IT, property implications arising out of this report. The legal implications are dealt with in the report.

### **Risk Management**

14. There is a risk to the standing and reputation of the Council if it does not ensure high ethical standards within the organisation.

### **Recommendations**

15. The Standards committee are recommended

- 1) to note the outcome of stage 1 of the Ethical Governance Audit and the progress on stages 2 and 3.
- 2) to agree the actions set out in Annex 1 in relation to the various recommendations contained in the Stage 1 Report:

Reason: To ensure the maintenance of high standards of ethical conduct in the Council.

## Contact Details

**Author:**

Colin Langley  
Interim Head of Legal, Civic and  
Democratic Services  
Chief Executive's  
Tel No. 551004

**Chief Officer Responsible for the report:**

Colin Langley  
Interim Head of Civic, Democratic and Legal  
Services

Report Approved

Date 26<sup>th</sup> October 2007

**Specialist Implications Officer(s)** List information for all  
None

**Wards Affected:** List wards or tick box to indicate all

All

**For further information please contact the author of the report**

### Background Papers:

Ethical Governance Audit Report Stage 1

#### Annexes

Annex 1 – Ethical Governance Audit Report Stage 1

Annex 2 – Stage 1 detailed audit checklist and action plan.