

# **Monitoring Officer Annual Report 2020/2021**

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## **Monitoring Officer Annual Report 2020/2021**

### **1. Introduction**

1.1 The Monitoring Officer's Annual Report summarises the more important matters arising from the Monitoring Officer's work for the Council from 1 April 2020 to 31 March 2021 and comments on other current issues. This report is prepared by the Monitoring Officer appointed by Full Council on 24 February 2021. This report covers a period (1/4/20- 31/1/21) when the current Monitoring Officer was not holding the appointment.

1.2 Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. It is founded on the fundamental principles of openness, integrity and accountability together with the overarching concept of leadership. In this respect, North Norfolk District Council recognises the need for sound corporate governance arrangements and has put in place policies, systems and procedures designed to achieve this.

1.3 The Monitoring Officer is appointed under Section 5 of the Local Government and Housing Act 1989 and has a number of statutory functions in addition to those conferred under the Local Government Act 2000 and subsequent regulations governing local investigations into Member conduct. These are outlined in the next section of the report.

## 2. The Monitoring Officer's Work April 2020 – March 2021

The appointment of the current Monitoring Officer was confirmed by Council on 24 February 2021. This report relates to the period 1 April 2020 to 31 March 2021.

<b>Duties</b>	<b>Work undertaken</b>
(a) Maintaining a lawful position for the Council and reporting on contraventions or likely contraventions of any enactment or rule of law including fraud.	<p>The Monitoring Officer during the period 1 April 2020 to 31 January 2021 was a member of the Council's Strategic Leadership Team, together with the Head of Paid Service and the Chief Financial Officer and was able to comment on issues discussed there. The Monitoring Officer for the remainder of that financial year is a member of the Management Team.</p> <p>The Council's in house legal team, eastlaw, provides advice and assistance to officers throughout the Council and reports to the Monitoring Officer on any areas of concern in relation to lawfulness and compliance with the Council's protocols and processes.</p> <p>The Monitoring Officer and her staff have attended meetings and provided advice to officers and Members at an early stage, including seeing relevant reports to committee.</p> <p>The Monitoring Officer also requires appropriate recording of delegated authority to evidence compliance with the Constitution.</p> <p>eastlaw assesses and responds to changes in the legal framework. This has included advising and assisting at remote hearings in line with the relevant statutory provisions.</p>
(b) Report any findings of maladministration causing injustice where the Ombudsman has carried out an investigation.	The Monitoring Officer reviews any complaints where the LGO has upheld the complaint. There have been no findings of maladministration in the financial year 2020/2021

<p>(c) Establish and maintain the Register of Member's interests and gifts and hospitality.</p>	<p>Members are required to provide a register of interests and keep such up to date.</p> <p>During the year 2020/2021, the country experienced restrictions in work, socialising and social events due to the pandemic. Whilst there have been entries on this register in previous years, there are none for the year 2020/2021.</p> <p>The Register of Members' Interests is publicised on the Council's website. The Registers are available for inspection at the Council's offices.</p>
<p>(d) Maintain Register of Employees gifts and hospitality.</p>	<p>The Register is updated regularly. During the last financial year, there have been restrictions in work, socialising and events. Whereas in previous years there have been around 20 such entries, this financial year shows 7 entries. A copy appears at Appendix A.</p>
<p>(e) Investigate misconduct in respect of District, Parish and Town Councillors under the Code of Conduct.</p>	<p>During the year between April 2020 and March 2021, a total of 20 complaints were received (14 relate to parish/town council and 6 relate to the District Council). This compares to 29 complaints from the previous year and relates to District, parish and town councils.</p> <p>The most common source of complaints were alleged bullying and disrespect to others. The majority of complaints were assessed as requiring no further action. Sometimes this has been accompanied by some informal recommendations or guidance to improve governance. Three parish council matters were referred for investigation during the year 2020/2021.</p> <p>A Code of Conduct complaint was made regarding information missing from a Member's register. Whilst it was found that there had been a breach of the Code, there was no evidence of any deliberate attempt to gain an advantage in the failure to update the register, resulting in no further action and advice. This complaint prompted a review of the Members' Register of Interests and led to contact with some further 7 Members who appeared not to have updated their register of interests. Following this communication, Members updated their registers. Again, these omissions were considered an oversight rather than an attempt to gain advantage. The Localism Act 2011 does place significant importance on registering interests, especially disclosable pecuniary interest and</p>

	<p>Members have been reminded of this. Where appropriate, Members have been reminded of the importance of respecting the provisions of the Code and other Protocols.</p> <p>Advice has been offered to parishes, particularly via contact through their clerks with the Monitoring Officer and her staff. More recently, a Clerks cluster café, hosted by NALC, has provided the council with an opportunity for contact with town and parish councils, as has the NNDC Town and Parish Council forum.</p> <p>Members have regularly sought advice in order to comply with the Code of Conduct, including in relation to declaring interests under the Code.</p> <p>Members have been provided with guidance through the provision of briefing notes through the Member's Bulletin.</p> <p>*(A new Code of Conduct has subsequently been adopted by the Council and Members are to receive training during the year 2021/22.)</p>
<p>(f) Investigate breaches of the Council's own protocols.</p>	<p>There have been no alleged breaches of the Council's own protocols in the year 2020/2021. The Council was, however, informed of an alleged breach in the previous year relating to the completion of a procurement exemption. This was subject of a complaint to the police, was investigated, and no criminality was identified. The Council's external auditors are yet to return their report for the years 2019/2020 and 2020/2021. Should any learning from those reports be presented, such will be addressed as appropriate.</p>
<p>(g) Provide advice to Town and Parish Councils on the interpretation of the Code of Conduct.</p>	<p>The Monitoring Officer, and her staff, have provided advice to Parish Councils on the Standards and Conduct Arrangements during 2020/21 via telephone and email.</p> <p>The Monitoring Officer (and her staff) have provided advice and assistance to a number of parishes through interventions to raise standards and deal with complaints. Further advice/assistance has</p>

	<p>recently been provided to parishes/towns to help them comply with their obligations under the Code through the cluster café and the Town and Parish Council Forum.</p>
<p>(h) Promote and support high standards of conduct through support to the Standards Committee.</p>	<p>The Committee has considered and supported adoption of the new Code of Conduct (the Local Government Association new Model Code of Conduct).</p> <p>The Independent Person arrangements are working well.</p>
<p>(i) Compensation for maladministration.</p>	<p>There have been no cases of compensation</p>
<p>(j) Maintenance and review of the Constitution.</p>	<p>The Constitution has been revised and updated during the year with the input of the Constitution Working Party.</p> <p>The legislative provisions relating to remote meetings were implemented and reviewed in line with changes to such legislative provision.</p> <p>The Constitution continues to be revised and updated for review by the Constitution Working Party and Council where appropriate.</p>
<p>(k) Responsibility for complaints made under the Council's Whistleblowing and Anti-Fraud policies.</p>	<p>The Council's Counter Fraud Corruption and Bribery Strategy was reviewed in the last financial year. It aims to increase staff and Member awareness and to minimise likelihood of losses to the public purse through fraud and corruption. As with the Whistleblowing Policy, it recognises that staff and Members are important in tackling any wrongdoing and respects confidentiality where concerns are raised. Further internal controls include a requirement that the Council, when dealing with outside organisations, manages its transactions in accordance with the Council's Contract Procedure Rules set out in the Constitution. Where there are exemptions to the usual procurement procedures there is a requirement to keep a proper record of this. (Following a recent internal audit of these procedures, it was considered that improvement was required. A new and more robust procedure has recently been put in place to address this).</p>

	<p>The Council's Whistleblowing Policy provides a confidential procedure for employees to report concerns which impact upon the public interest. This Policy is being reviewed in the year 2021/2022 to include any change of details of 'responsible officers' to whom protected disclosures can be made. The Monitoring Officer has overall responsibility for the maintenance and operation of that policy and is a key contact. In addition to raising a concern with a 'responsible officer' under the policy, the legislation allows for reporting of concerns to other responsible bodies in appropriate circumstances, such as certain external regulators.</p> <p>Employees are made aware of the anti-fraud policies and their ability to report through the Council's intranet, the Briefing and through team briefings.</p> <p>There have been no reports of fraud for the year 2020/2021.</p> <p>It is understood that a report was made to the police who undertook an investigation relating to the previous year (2019/2020). During the year 2020/2021 the Council was updated on this investigation. No criminality was identified.</p> <p>The Council's auditors are yet to return their report for the years 2019/2020 and 2020/2021. Any learning from those reports will be addressed as appropriate.</p>
(l) Breaches of the Employee Code of Conduct.	<p>Employees are reminded through the Council's internal communications regarding business practice and ethical behaviour.</p> <p>In the year 2020/2021, the Employment and Appeals committee has met twice to consider a disciplinary matter.</p> <p>The Council has an Employee Code of Conduct, related policies and a disciplinary procedure managed by the Council's HR team.</p>
(m) Advice on vires issues, maladministration, financial impropriety, probity and policy framework.	<p>The Monitoring Officer has been consulted on matters, which have potentially significant legal implications.</p>

	<p>The Monitoring Officer meets regularly with the Chief Financial Officer and the Chief Executive.</p> <p>The financial statements are subject to a robust governance process through the Committee cycle.</p> <p>The Monitoring Officer and her staff have attended Council and other Committees as necessary.</p> <p>Officers consult the Monitoring Officer regularly on vires and probity issues.</p> <p>The Monitoring Officer works closely with the Chief Financial Officer, the Management Team and the Corporate Leadership Team to ensure probity in the organisation.</p> <p>The Monitoring Officer regularly advises on the legality and/or appropriateness of administrative procedures, in conjunction with the Democratic Services Team.</p> <p>There has been a review of the Project Management Framework and the implementation of a Corporate Delivery Unit to better manage projects.</p> <p>A review of procurement exemptions to Contract Standing Orders has recently been undertaken and a new and more robust system and procedure has been taken forward.</p>
(n) Exemptions to contract standing orders	<p>7 exemptions (Appendix B) have been recorded and allowed this year, mainly in relation to specialist services and where there a permitted exemption was identified under the Constitution.</p> <p>Contract Procedure Rules and processes relating to exemptions have recently been updated.</p>
(o) actual or potential litigation or claims that would have a significant effect on the entity or a material impact on the financial statements	<p>None identified for the year 2020/2021</p>



### **3. Key Messages**

3.1 The key messages to note from the year are:

- (i) There has been a restructure of the senior management of the Council.
- (ii) The Constitution has been and will continue to be maintained and updated.
- (iii) The Corruption and Anti-Fraud Strategy has been reviewed.
- (iv) The Protocol on Member/Officer Relations has been updated.
- (v) The Council has implemented a Corporate Delivery Unit to provide better oversight and management of projects. The procurement exemption procedure has been updated to provide better governance where the Council uses an exemption outside the usual procurement processes.
- (vi) A new Member Code of Conduct is being adopted by the Council and training is planned to be delivered in the year 2021/2022.

### **4. Looking Forward**

4.1 The key issues for 2021/2022 are as follows;

- Any actions arising from internal and external audits will need review and implementation
- The Whistleblowing Policy is due for review.
- The new Member Code of Conduct has been adopted. A training programme is to be delivered.

## **4.2 Code of Conduct**

- 4.2.2 A new Member Code of Conduct has been adopted by the authority, based on the Local Government Association Model Code. Training is to be provided. Members will be reminded to keep their register of interests up to date.

## **4.3 Corporate Governance Framework**

- 4.3.1 The Council will keep the Code of Corporate Governance under review, taking into account any revisions to associated guidance and any recommendations arising from audit reports.
- 4.3.2 The Monitoring Officer will continue to provide an assurance in respect of the Code and the Annual Governance Statement by way of this Annual Report.

## **4.4 Constitution and Regulations**

- 4.4.1 The Constitution will continue to be kept under review by the Monitoring Officer working closely with the Democratic Services Team.
- 4.4.2 It will be appropriate to continue to remind Members and staff of the importance of compliance with the Council's regulations, as set out in the Constitution and other policy framework documents, and the Monitoring Officer and other staff will give advice accordingly.

## **5. Overall opinion on the adequacy and effectiveness of the Governance framework**

**The Monitoring Officer confirms that she is not aware of;**

- Any breaches of, or deficiencies in, internal control during 2020/2021 in respect of fraud or compliance with relevant legal provisions that could have a significant effect on the entity or a material impact on the financial statements;
- Any actual, suspected or alleged frauds or breaches of legislative requirements during 2020/2021;
- Any excessive or undue pressure to meet financial or operating targets that may unduly influence the actions of either those charged with governance or Management;
- Any actual or potential litigation or claims that would have a significant effect on the entity or a material impact on the financial statements;
- Any circumstances that would call into question the preparation of the financial statements on an ongoing basis.

Subject to the information and areas outlined above, the systems of internal control administered by the Monitoring Officer including the Code of Conduct and the Council's Constitution, appear adequate during the year between April 2020 and March 2021.

Cara Jordan  
Monitoring Officer  
20/9/21

**APPENDIX A – Register of Officer Gifts and Hospitality**

Date	Name of officer	Name of person/organisation offering gift or hospitality	Description of gift/hospitality	Accepted or declined?
12.6.2020	Trudi Grant - Benefits	Robin	Chocolate Cake	Accepted
30.9.2020	Milo Creasey - Property Services	4wardcleaningservices (waterless car wash firm)	Car was cleaned which has a value of £12.50	Accepted
11.12.2020	Jeanette Wilson	Metnor Construction	Bottle of Prosecco and Chocolates	Accepted
18.12.2020	Kate Rawlings	Metnor Construction	Bottle of Prosecco and Chocolates	Accepted
18.12.2020	Karl Read	Metnor Construction	Bottle of Prosecco and Chocolates	Accepted
18.12.2020	Post/Scanning Office	Metnor Construction	4 bottles of wine and chocolates	Accepted
15.3.2021	Jane Wisson	Quadiant UK Ltd	Chocolates & Flowers	Accepted

## APPENDIX B

### Contract Procedure Rules Exemptions granted from 1 April 2020 to 31 March 2021

	Contractor	Type of Work	Amount	Exemption / Critical factors
April 2020	Risual Consultancy Services	Citizens Mobile Application	£35,650	(2)(d) Procured via Crown Commercial Services G Cloud Framework, no formal procurement required as framework has direct award facility.
July 2020	Marsh Consulting	Coastal Loss Innovative Funding & Finance (CLIFF) E&D Study  [scoping report identifying potential options that could underpin new financing/funding mechanism for coastal homeowners affected by erosion]	£189,330	2(a) For the supply of goods or services where there is only one supplier and no acceptable alternative:  <i>There is only one supplier with the direct relevant experience to complete the study and there is no acceptable alternative.</i>
Dec 2020	GoCardless	Supply of Direct Debit payment services for garden waste subscriptions	£14,000 p.a.  (expected life of contract 2 years £28,000)	2(a) For the supply of goods or services where there is only one supplier and no acceptable alternative.

August 2020	Concerto Support Services Ltd	Provision of Asset Management software	£63,180	<p>Critical Factor: To retain access and functionality of the existing system without the need for data transfer or a period where the functionality is not available.</p> <p><i>This exemption was granted in line with the following requirement: 5.3 In situations where there is only one quotation or tender and one of the circumstances referred to in Procedure Rule 9 does not apply, the agreement of the Chief Financial Officer must be obtained before any contract is entered into in respect to all contracts with an estimated value exceeding £49,999.</i></p>
October 2020	Zellis	<p>For Resourcelink Licences, Support and Maintenance</p> <p>[An integrated Payroll and HR management system]</p>	<p>£34,168 p.a. (5 years) [£170,840] (with possible 2yr extension = £239,176)</p>	<p><b>(2) (d) To be procured via Crown Commercial Services Framework RM3821</b></p> <p><i>There must be a seamless transfer at the end of the current HR system contract to the next as any time without a functioning HR system would place the service under considerable stress. Completing critical HR functions such as payroll without automation would be extremely difficult.</i></p>
February 2021	Malcolm Abbs Contractors	Cost of Plant & Labour for Coastal Emergency works	£15,000	<p><b>(2)</b></p> <p><i>I know of no other Contractor who could supply plant and experienced labour at such short notice sufficient to complete these emergency works other than Renosteel – who are already employed here supplying plant and labour.</i></p>
March 2021	Hemley Orrell Partnership (HOP)	Management of Cromer Pier	£37,000	<p><b>2(a)</b></p> <p><b>For the supply of goods or services where there is only one supplier and no acceptable alternative, following consultation with the Procurement Officer.</b></p> <p>Specialists in pier structures</p>