

Meeting:	Standards Committee
Date:	5 December 2006
Subject:	Protocols – Monitoring Officer and Chief Financial Officer
Key Decision: (Executive-side only)	No
Responsible Officer:	John Robinson Director of Corporate Governance
Portfolio Holder:	Councillor Chris Mote Leader (Strategic Overview, External Affairs & Property)
Exempt:	No
Enclosures:	Monitoring Officer Protocol Chief Financial Officer Protocol

SECTION 1 – SUMMARY AND RECOMMENDATIONS

This report proposes the adoption by the Council of the Protocols for the Statutory Officers posts of Monitoring Officer and Chief Financial Officer. The adoption will demonstrate that arrangements are in place to ensure that the Statutory Officers can carry out their responsibilities with the support of Members and Officers.

RECOMMENDATIONS:

- (a) That the Standards Committee approve the Monitoring Officer and Chief Financial Officer Protocols; and
- (b) To recommend to the Council the adoption of the Protocols for the Monitoring Officer and Chief Financial Officer

SECTION 2 - REPORT

- 2.1 A draft Monitoring Officer Protocol was originally submitted to this Committee in October 2003, but was withdrawn pending revision. The revised draft has been finalised in consultation with the Monitoring Officer. At the same time it was considered appropriate that a similar Protocol for the Chief Financial Officer should also be prepared. This draft has also been prepared in consultation with the Chief Financial Officer.
- 2.2 The Council is required under section 5 of the Local Government and Housing Act 1989 to appoint a statutory Monitoring Officer. Key responsibilities under the 1989 Act include:
- i) reporting on contravention/likely contravention of any enactment or rule of law;
 - ii) report on maladministration or injustice where the Ombudsman has carried out an investigation
- 2.3 The responsibilities ascribed to the Monitoring Officer were expanded following the introduction of the Local Government Act 2000, Part III which deals with ethics and probity. Key additional responsibilities include:
- i) Investigation into misconduct and advice on the determination of complaints;
 - ii) Advice to the Standards Committee;
 - iii) Maintenance of the registers of Interests, gifts and hospitality;
 - iv) Advice on interpretation of the Code of Conduct;
 - v) Liaison with the Standards Board for England and Ethical Standards Officers.
- 2.4 Similarly, the Council is required under section 151 of the Local Government Act 1972 to appoint a Chief Financial Officer.
- 2.5 The key responsibilities of the Chief Financial Officer are contained within the Local Government Financial Act 1988, and the Local Government Act 2003, which include:
- i) reporting on any decision (of Council or the Executive) which would lead to the authority incurring unlawful expenditure or would cause a loss or deficiency to the authority or entry of an unlawful item of account;
 - ii) reporting on expenditure incurred (including expenditure proposed to be incurred which is likely to exceed the resources available to meet that expenditure);
 - iii) reporting on the robustness of budget calculations
 - iv) the adequacy of proposed financial reserves
 - v) previous years' financial reserves if it appears controlled reserves is or likely to be inadequate
 - vi) assist the Council in the carrying out of regular budget monitoring

2.6 The Protocol sub-divides the responsibilities into three categories:

i) Reports and decision-making

The Protocol highlights the need for early consultation by Executive Directors and Directors with the Monitoring Officer and Chief Financial Officer on policy changes and possible problems for the authority. There are also requirements in relation to record keeping.

ii) Legality, vires and constitutional issues

This part of the Protocol highlights the Monitoring Officer's and Chief Financials Officer's role in ensuring the authority acts within its powers and the law.

iii) Ethics and Probity

This section deals with the role of the Monitoring Officer and Chief Financial Officer in relation to the conduct of members.

2.7 There are no resources or costs associated with the recommendation. In addition, there are no risks to the Council if the Protocols were not approved, as the Statutory Officers would continue to carry out their responsibilities in accordance the relevant legislation. The Protocol is intended to demonstrate that the Council has arrangements in place to ensure that the Monitoring Officer and Chief Financial Officer can carry out their responsibilities with the support of Members and Officers.

2.8 The Protocols are also in accordance with best practice guidance from The Association of Council Secretaries and Solicitors (ACSeS) and The Chartered Institute of Public Finance and Accountancy (CIPFA).

2.9 A similar Protocol for the Head of Paid Service (the Chief Executive is being prepared and will be submitted to the next meeting of the Standards Committee for approval.

SECTION 3 - STATUTORY OFFICER CLEARANCE

Chief Financial Officer	<input checked="" type="checkbox"/>	Name Barry Evans Date: 16 November 2006
Monitoring Officer	<input checked="" type="checkbox"/>	Name: Jill Travers Date: 19 November 2006

SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Elaine McEachron, Senior Lawyer Corporate Governance,
020 8420 9414 (ext 5414)

Background Papers:

Standards Committee Report 7th October 2003

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	N/A
2.	Corporate Priorities	N/A
3.	Manifesto Pledge Reference Number	N/A