

***Final* Internal Audit Report 2007/08**

London Borough of Brent

**Follow-Up Audit – Review of Register of
Members’ Interests and Gifts and Hospitality**

March 2008



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Executive Summary

Introduction	This report sets out our findings from the follow-up audit of Review of Register of Members' Interests and Gifts and Hospitality. The follow-up audit was conducted to determine whether management have implemented the recommendations made in an earlier report (Review of Register of Members' Interests and Gifts and Hospitality January 2005). This report sets out the details of the agreed recommendations from the previous audit report as well as the status of each recommendation as of March 2008. The follow-up audit forms part of the 2007/08 Internal Audit Plan.
Summary of Findings and Conclusions	Of the 15 recommendations made in the previous audit report, 12 have been fully implemented, 2 have been partially implemented and one has not been implemented. The partially implemented recommendations relate to the checking of the Members' interests and amendment forms to ensure that all boxes have been completed and the member contacted if there are any omissions; and the Monitoring Officer to produce a six-monthly report to the Standards Committee listing members and details of the gifts and hospitality that they have declared over the previous period. In response to the former recommendation, as part of the annual review, the Borough Solicitor checks the Register of Members Interests and where there are omissions they are drawn to the member's attention. However it is the view of the Borough Solicitor that it is ultimately the member's responsibility to ensure that the declaration is accurate and complete. In response to the latter recommendation, the Monitoring Officer will produce an annual report to the Standards Committee listing members and details of the gifts and hospitality that they have declared. The Borough Solicitor has indicated that it would not be practical to produce a 6-monthly report as the Standards Committee meet 4 times a year and this would result in reporting at every other meeting. Therefore no further recommendation has been made on this. The recommendation that has not been implemented relates to the enclosure of the Amendment of Entry to Members' Interest Form to facilitate the notification of any changes. This is no longer applicable due to the adoption of a new Change of Personal Interests Form which includes registering receipt of new gifts and hospitality which was created following adoption of the new Code of Conduct.

Audit Objectives and Scope	The purpose of this follow-up audit was to determine whether the 15 recommendations included in the previous audit (Review of Register of Members' Interests and Gifts and Hospitality) issued in January 2005 were implemented.
Background	<p>Section 5 of the Local Government and Housing Act 1989 requires the appointment of a monitoring officer, which in Brent is the Borough Solicitor. It is the monitoring officer's responsibility to report on any issues about the Council's legal powers, possible maladministration, impropriety and probity. The Local Government Act 2000 introduced new responsibilities for the monitoring officer which include:</p> <ul style="list-style-type: none">• Establishing and maintaining a register of member interests and a register of member gifts and hospitality.• Investigating misconduct of councillors.• Promotion and maintenance of high standards of conduct through support to the Standards Committee.• Advice to members on the interpretation of the Code of Conduct. <p>The work of the monitoring officer is reported to the Council's Standards Committee on an annual basis.</p> <p>Under the Act, members must register certain interests by notifying the monitoring officer in writing of any interests they have which fall within the categories set out in the Code of Conduct.</p> <p>Members are also required to notify the monitoring officer in writing of any gifts and hospitality worth more than £25 that are received in connection with their official duties as members.</p>
Acknowledgement	We would like to thank the management and staff of Democratic Services Team for their time and co-operation during the course of the audit. All staff consulted are included at Appendix C.

Appendix B – Follow-up of 2004/05 Recommendations

Recommendation	Priority Responsibility	Action Taken as at March 2008	Further Action Required YES/NO
1. Members should be required to print their names on their undertaking to observe the code of conduct. The form should be changed by the next Council election	Borough Solicitor	<p>Implemented</p> <p>The undertaking is incorporated in their acceptance of office. These are contained in a bound book and on each page a members name is printed and they sign below.</p>	NO
2. The Democratic Services Manager should check all “Notification by Members of Financial and Other Interests” and “Amendment of Entry to Members’ Interest” forms completed and returned by members to ensure that all boxes have been completed and the member contacted if there are any omissions	Borough Solicitor	<p>Partially Implemented</p> <p>The Borough Solicitor makes a check of the register as part of the annual review of the Register of Members Interests which is presented to the Standards Committee. Where omissions or declarations are obviously incorrect they are drawn to member’s attention however it is ultimately the member’s responsibility to ensure that the declaration is accurate and complete.</p>	NO

Recommendation	Priority Responsibility	Action Taken as at March 2008	Further Action Required YES/NO
3. An Amendment of Entry to Members' Interest Form should be enclosed to facilitate the notification of any changes.	Borough Solicitor	Not Implemented A new change of personal interests form which includes registering receipt of gifts and hospitality has been created following adoption of the new Code of Conduct. It is sent out to members on request and is available from Democratic Services, Legal Services and the Group Offices.	NO
4. The Borough Solicitor's advice concerning declaration of membership of political parties should be re-issued to re-emphasise the guidance given by the Standards Board for England.	Borough Solicitor	Implemented Advice has been re-issued but perhaps no longer necessary as the Code of Conduct specifically states that membership of political parties must be registered.	NO
5. The Monitoring Officer should continue to remind members that they should update their declarations of interest for any changes that have taken place since their original / most recent declaration	Borough Solicitor	Implemented Done by Monitoring Officer Advice Note (MOAN) and training sessions with each group with the introduction of the new Code.	NO

Recommendation	Priority Responsibility	Action Taken as at March 2008	Further Action Required YES/NO
6. The Members' Declaration at Meetings form should be revised to provide for the Democratic Services Officer attending a meeting at which members declare an interest to record and certify whether members withdrew from the meeting	Borough Solicitor	Implemented Form has been updated as per recommendation.	NO
7. The Monitoring Officer should issue an Advice Note to remind members that they must declare gifts and hospitality above £25.	Borough Solicitor	Implemented MOAN has been issued and training sessions held with the groups.	NO
8. The Monitoring Officer should remind members that trivial gifts and hospitality need not be declared	Borough Solicitor	Implemented Members have been reminded by MOAN and training.	NO
9. The Monitoring Officer should abolish the local under £25 form and use only the official LGA form.	Borough Solicitor	Implemented A new change of personal interests form which includes registering receipt of gifts and hospitality has been created following adoption of the new Code of Conduct. It is sent out to members on request and is available from Democratic Services, Legal Services and the Group Offices.	NO

Recommendation	Priority Responsibility	Action Taken as at March 2008	Further Action Required YES/NO
10. The Monitoring Officer should produce a six-monthly report to the Standards Committee listing members and details of the gifts and hospitality that they have declared over the previous period.	Borough Solicitor	Partially Implemented This is being reported on a 12 monthly basis.	NO
11. Brent Financial Services should change the guidance to Council members that they should declare all forms of membership of voluntary organisations that receive grants from the Council.	Head of Financial Management	Implemented Done – latest guidance in a letter to all members in April 2007.	NO
12. The Democratic Services Manager should check the Related Party Transactions declarations to ensure that that all boxes are completed and follow up any omissions or discrepancies with the member(s) concerned.	Borough Solicitor	Implemented This is now done.	NO

Recommendation	Priority Responsibility	Action Taken as at March 2008	Further Action Required YES/NO
13. There should be further training sessions as planned by the Monitoring Officer and all members who have not yet attended the training events should be encouraged to do so.	Borough Solicitor	Implemented Each political group have received training following the introduction of the new Code of Conduct.	NO
14. The present inaccuracies in the register of members' interests should be corrected prior to publication of the information on the Internet.	Borough Solicitor	Implemented The online version and the physical register were cross checked prior to the re-registering of member's interests in September 2007 and a procedure for maintaining consistency adopted.	NO
15. The Monitoring Officer should remind members again of the importance of notifying any changes to their interests within the statutory 28-day period.	Borough Solicitor	Implemented This has been done by MOAN and training sessions with the groups.	NO

Appendix C – Audit Objectives & Scope

Audit Objectives & Scope	The objective of the audit was to determine whether management have implemented agreed recommendations following the previous audit and to identify any internal control issues highlighted in the previous audit report which still need to be addressed.
Audit Approach and Methodology	The following procedures were adopted: <ul style="list-style-type: none">• Interview with officers• Review of evidence to confirm implementation of recommendations• Identification of outstanding recommendations yet to be implemented and additional recommendations where relevant

Appendix D – Audit Team & Staff Consulted

AUDIT TEAM	STAFF CONSULTED
Aina Uduehi, Audit Manager	Dan Bonifant – Locum Lawyer
Kanta Patel, Auditor	Peter Goss – Democratic Services Manager
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Appendix E – Audit Timetable

	DATES
Follow-up Meeting	10 March 2008
Fieldwork Start	N/A
Exit Meeting	N/A
Draft report issued	N/A
Final report issued	31 March 2008