

North York Moors National Park Authority Finance, Risk, Audit and Standards Committee

1 February 2016

Annual Standards and Ethical Review

1.	Purpose of the Report
1.1	To provide Members with the annual review of the Authority's performance on Standards and Ethical Issues.

2. Background

2.1 The Scheme of Delegation to this Committee states the following;

Standards and Ethics

Without diminishing the responsibility of the Authority as a whole, the Committee will steer the organisation towards the highest ethical standards and the fullest possible compliance with Nolan Principles and the organisation's Values and Codes of Conduct. It will consider how best to communicate achievements in this sphere, and any failings, to the public.

On at least one occasion each year the Committee shall undertake an overall review of standards issues and report on any matters of significance to the Full Authority. This review will involve the Independent Person(s) who may, in addition, be consulted on individual issues as and when required. (Members Handbook - Scheme of Delegation\5 pg 4.5)

It has previously been agreed that the annual review should be conducted at the February Meeting of this Committee each year.

2.2 The Annual Governance Statement will be based on the discussion relating to this paper and a draft version of this will be presented to the May meeting of this Committee for discussion prior to approval before the end of September.

2.3 The Values are embedded into the culture of the organisation and influence the way in which Members and, increasingly, Volunteers as well as the staff carry out their work. They are displayed in prominent places and form part of the induction and training programme. The Staff Appraisal process has been significantly adjusted for 2016/17 with the behaviours implicit in our Values featuring prominently in the revised Competency Framework.

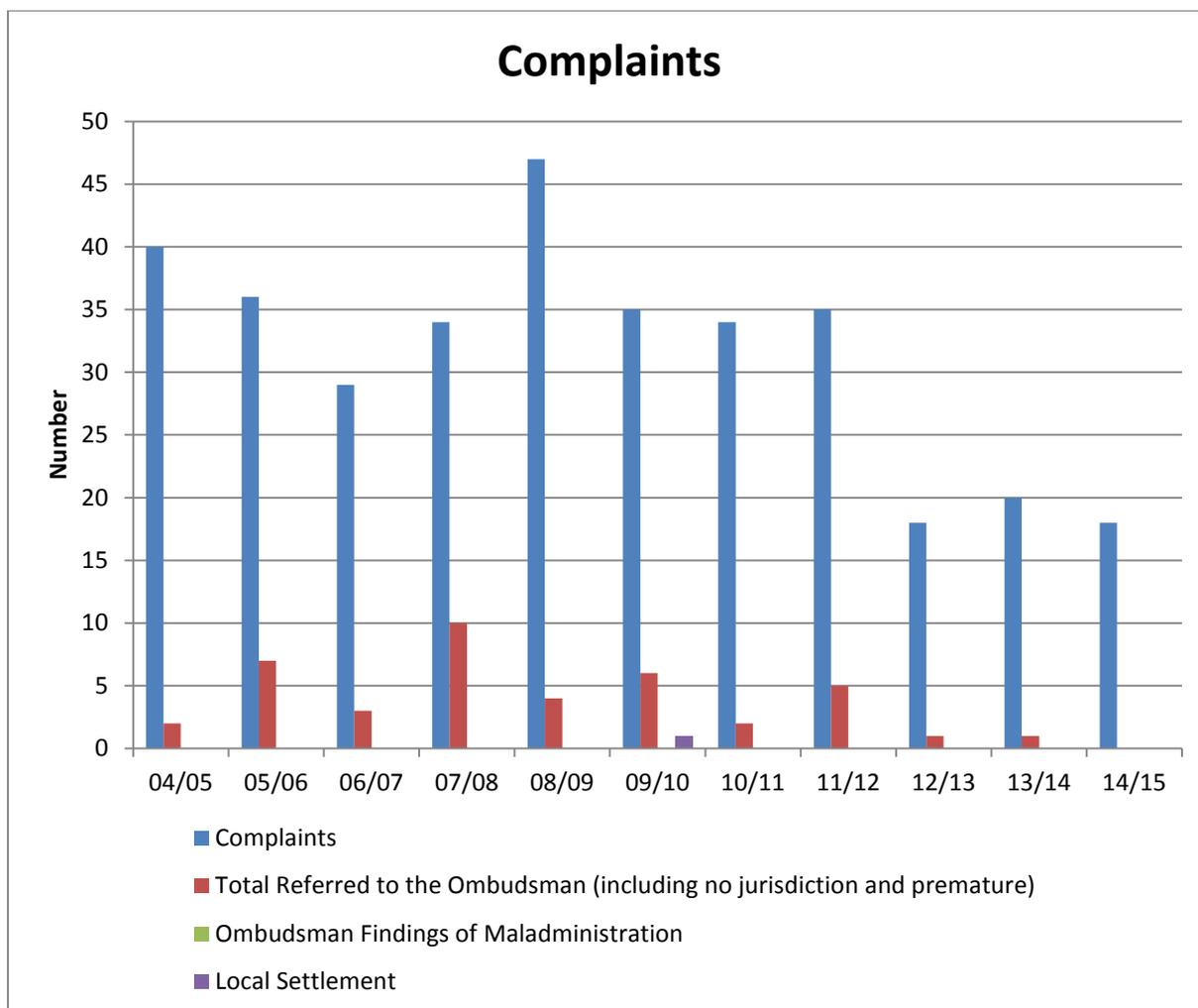
2.4 Members continue to receive regular training in governance, standards and ethics issues.

2.5 During 2015/16, the Authority has had no issues raised through the formal 'Whistleblowing Policy' which provides a mechanism for individuals to report potential fraudulent and other activity in a confidential manner. The Authority is also subject to regular review by both internal and external auditors who advise on the adequacy of systems to mitigate the risk of fraud.

- 2.6 Members will be aware that the Authority has an excellent record in achieving, maintaining and improving performance against the assessment criteria for both Charter Mark (over a fourteen year period) and Customer Service Excellence over the last five years, for the whole organisation. This serves as an external validation of the Authority's approach to customer service and the 2015 assessment resulted in more aspects of the service provided being regarded as 'best practice'.
- 2.7 Sections 3 to 7 below detail statistics which demonstrate that the Authority is operating in a way that is consistent with its Codes of Conduct and Ethical Framework.

3. **Complaints and Compliments**

- 3.1 Officers report quarterly on Complaints and Compliments which have been received during the year and report on complaints to the Local Government Ombudsman. The graph below details the Complaints registered between 2004/05 and 2014/15 and the Ombudsman Complaints. The volume of complaints is relatively low and during this period the Ombudsman has only found against the Authority's position on one occasion and that was agreed as a Local Settlement.
- 3.2 The total number of compliments received over the same period is nearly 1,400. While there have been changes in the criteria for recording correspondence as a compliment which makes year on year comparisons difficult, the continued volume of compliments should be seen as highly encouraging.
- 3.3 The year to date performance for 2015/16 is included in more detail at Item 15 on this agenda and full year data will be reported to the May meeting of this committee.
- 3.4 Officers are currently dealing with a specific planning complaint relating to incorrect verbal advice given in relation to a planning permission query for solar panels on the roof of a building within a conservation area. In cases where members of the public insist on receiving an immediate verbal opinion, rather than pay for a definitive written response through the payable pre-application service, such an opinion is always qualified by the officer stating that it is generic advice and is not binding. The written pre-application advice service involves site specific advice with the benefit of research on any planning history and, as such, is always the recommended approach. In this case, remedial action is required to remove the unauthorised work and the owner is willing to do this voluntarily, though has asked for the Authority to cover the cost involved. It is suggested that the Authority contributes half of the cost of this work, in the context that payable advice should have been sought and would have resulted in a different view being given. This amount £852, just exceeds the delegated limit of the Chief Executive and therefore authorisation from Members is requested.



4. Member Complaints

4.1 The Authority has adopted a Member Code of Conduct which was updated in June 2012 in accordance with the new Standards regime arrangements. It substantially exceeds the minimum requirements of the new legislation. The Monitoring Officer and Independent Person reviewed the Code of Conduct in the light of the outcome of the Member Complaints received in 2013. A number of clarifications were proposed which were approved by the Authority in September 2014.

4.2 There were no complaints regarding Members in 2015.

5. York Potash Planning Application

5.1 As Members will be fully aware, a considerable amount of the Authority's resources has been spent in properly considering the York Potash planning application. There has been a low level of adverse comment on the decision and very little criticism of the process or the actions of Members and officers. The number of positive comments made about the way in which the Authority handled the planning meeting considerably outnumbered the small number of negative comments.

5.2 The interested parties who opposed the planning application decided not to seek a judicial review of the decision to approve the planning application – the grounds under which this could have been considered would have been a flawed decision making process.

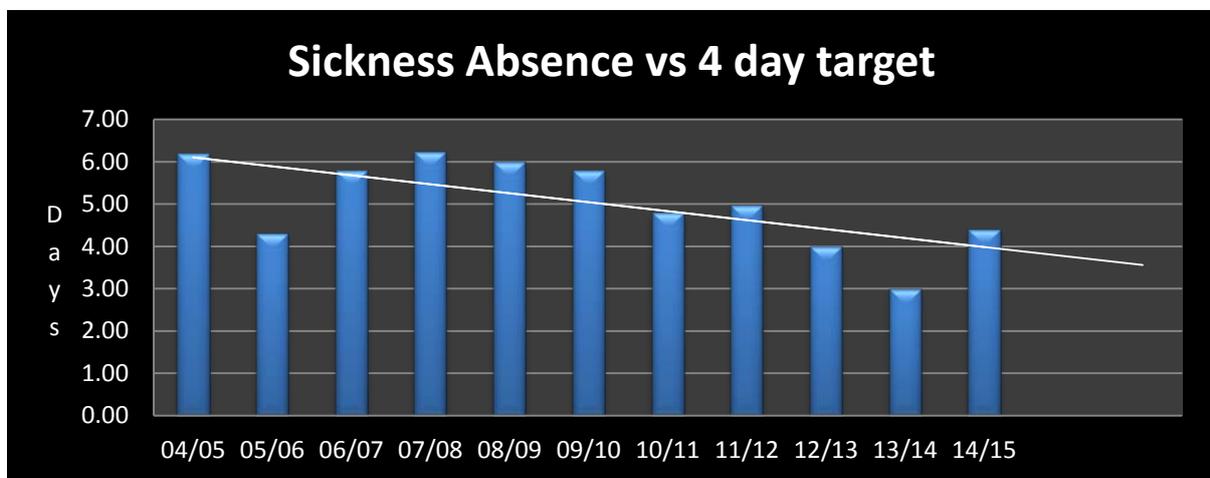
5.3 The Authority put additional independent legal support in place for Members to ensure that high quality advice was available for them, in particular, on the issue of correctly identifying and declaring relevant interests. This advice was followed and contributed to the professional way in which the planning application, and all of the potentially difficult matters relating to it, were handled.

6. Staff Health, Safety and Well Being

6.1 The number of working days lost to sickness is usually considered to be an indicator of the working environment within an organisation and the chart below details the Authority's sickness absence performance indicator since 2004/05. These results continue to compare favourably with other organisations.

6.2 The Authority has a long term target of 4 days absence (1.5%) per full time equivalent. The actual figure achieved in 2014/15 was 4.4 days (1.7%) which represented an increase from the previous year's figure. Taking long term absence out of the 2014/15 figures reveals an underlying absence rate of less than 1.0% for the year which is unchanged from the previous year. An analysis of the causes of sickness absence shows no discernible pattern of illness that suggests a work related cause affecting a number of people.

6.3 The most recent data available from the Chartered Institute for Personnel and Development (October 2015) reported that average sickness absence in the public sector across the UK is 8.7 days per person (3.3%), while the corresponding figure in the private sector is currently 5.9 days per person (2.3%). These figures showed a slight increase from the previous year, but were still lower than 2013.



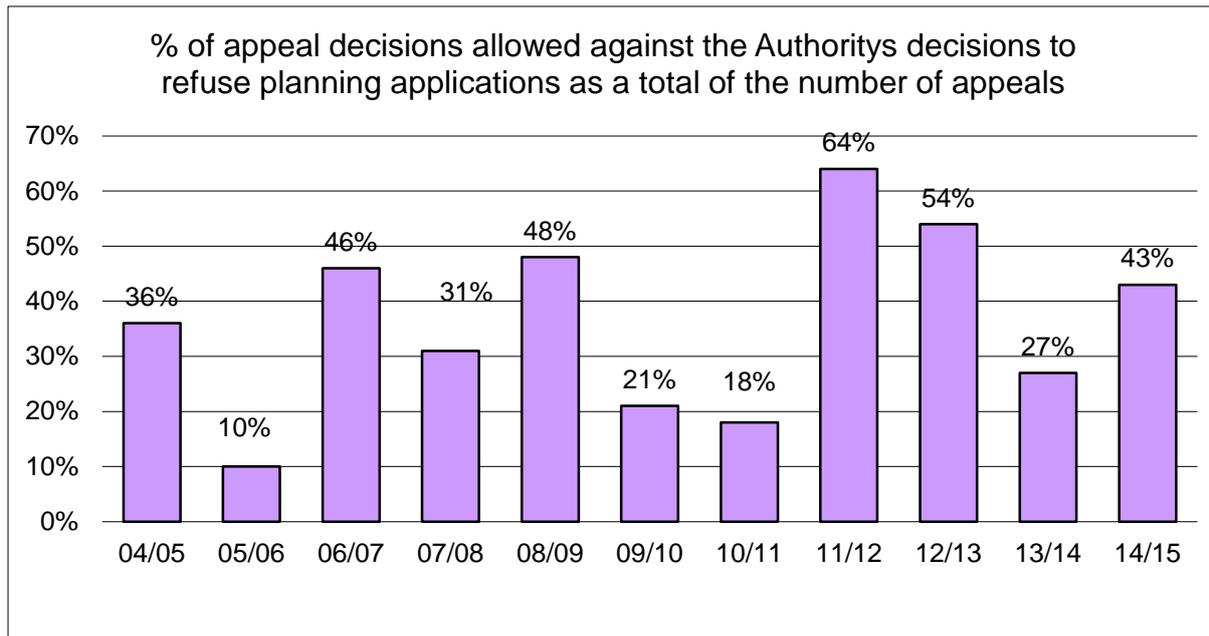
6.4 Members will be aware that a significant contributing factor to the 2014/15 absence figures was the injury to a member of staff resulting from an accident while using a quad-bike. Another more recent injury to a member of staff who fell a short distance off step ladders has resulted in a 2 month absence. These incidents do not represent the Authority's typical health and safety performance and have caused Officers to question whether the approach that is currently in place to encourage staff to take initiative and make decisions for themselves is having some adverse impact. On balance, Officers are satisfied that this is not the case, but are ensuring that staff are made fully aware that safe working practices should never be compromised in pursuit of achieving things more quickly.

6.5 Internal Audit conducted a review of the way in which the Authority is managing Health and Safety. This included meeting Volunteers and staff on site as well as talking to

managers. While there were a number of minor areas for improvement, the overall audit rating was one of substantial assurance.

7. Planning Performance

7.1 The Authority monitors the number of planning appeal decisions allowed against the Authority's decision to refuse planning applications as this is an indicator of the quality and consistency of its decision making. Members are regularly updated on this indicator and the chart below summarises the results from the baseline year of 2004/05. The national average varies over the years but is normally about 35% which reflects the national average figure for appeal decisions.



7.2 The Authority did not meet its annual planning appeal target in 2014/15, losing 6 out of the 14 appeal decisions made during the year. However, as there are generally a low number of appeal cases, small numerical changes can result in disproportionate statistical outcomes. In this case two of the upheld appeals were related to subjective design matters on small scale household developments where Members' views were not shared by the Inspectors. These apart, the target would have been achieved.

7.3 In terms of progress during 2015/16, there has been a marked improvement in this area and, after three quarters, the running appeals record stands well above the target at 31% allowed which, if continued by the year end would represent the second best year since the publication of the NPPF in 2012.

7.4 The Planning Customer Satisfaction survey due for 2015 was not undertaken as resources were diverted into dealing with the York Potash planning application. This piece of work will be completed in 2016.

8. Media Coverage

8.1 The Authority monitors the press coverage received and analyses whether the coverage is positive, negative or unbiased. Between 2010/11 and 2013/14 the percentage of positive coverage decreased from 66% to 53%. This improved significantly, however, to 63% in 2014/15 while negative coverage decreased to 1%. This represents a significant achievement given the high profile planning cases that the Authority was dealing with and the impact of budget cuts in the same period. While the full year figures for 2015/16 are not yet available, officers are aware that,

whatever the overall balance, the Authority has achieved some strikingly good national publicity.

9. **Staff Code of Conduct and Ethical Framework**

- 9.1 Both of these documents have been reviewed, amendments proposed and subsequently approved by Members at the March 2015 meeting of the National Park Authority.

10. **Volunteer Strategy**

- 10.1 Members approved a new Volunteers Strategy in early 2015 and a considerable amount of work has been undertaken to implement this. One of the outcomes has been closer engagement with volunteers, including a number of them attending staff meetings. This involvement has proved to be very useful as volunteers are effectively 'semi-independent' and they have been able to stimulate good debate with their comments and questions.

11. **Annual Governance Review**

- 11.1 The Authority formally approves an Annual Governance Statement for publication alongside the Statement of Accounts. This includes a summary of the work undertaken in the financial year ended the 31 March and it also indicates areas to be addressed in the forthcoming year to further enhance the governance arrangements. Below is an extract from the current statement.

The review of effectiveness has identified the following areas to be addressed in 2015/16:

- Customer Service Excellence will be maintained;
 - Minor essential work and changes on the review of the Standing Orders, Scheme of Delegation and Financial Regulations will be undertaken following the delay of this work due to reduced capacity;
 - Work will commence on the Business Plan 2016-2019 including the Medium Term Financial Strategy as long as central government funding is relatively clear;
 - Produce a revised Strategic Risk Register based on the new Business Plan priorities and emerging risks;
 - Work flowing from the volunteer strategy will include the 'one workforce' concept whereby volunteers and staff share the same values and behaviours; this will develop through much closer integration;
 - The review of the appraisal scheme will seek to ensure a balanced approach to performance assessment combining work output with standards of behaviour as outlined in the Values;
 - Further activity will be undertaken to embed Volunteers into the Governance Arrangements of the Authority; and
 - Subject to approval by the Charity Commission work will be undertaken on the Governance arrangements in relation to the establishment of the North York Moors National Park Trust.
- 11.2 During the first half of the year, progress on several these actions to date has been delayed due to the need to concentrate managerial resources on managing the effects of reducing expenditure, organisational restructuring and the York Potash planning application.
- 11.3 Work on reviewing the Financial Regulations will need to be assessed in light of decisions, yet to be made, on the way in which the Authority delivers its financial services and the speed with which any changes to the current arrangements are likely to be introduced.

- 11.4 At the time of writing this report, no formal communication has been received from DEFRA regarding confirmation of future National Park Grant levels. If the NPG remains protected as outlined in the Autumn statement, the production of a new Business Plan will be a priority for the early part of 2016.
- 11.5 Members agreed at the December NPA meeting to extend the Legal Services contract with Scarborough Borough Council for a further 2 years. This will facilitate a consistency of approach to the high quality advice given by the Scarborough legal team on Governance matters.
- 11.6 Progress on the separate topics of reviewing the appraisal scheme and maintaining Customer Service Excellence are mentioned in paragraphs 2.3 and 2.6.
- 11.7 Progress will be made during 2016/17 on the establishment of the North York Moors National park Trust.
- 11.8 In terms of the actions for 2016/17 to be included in the Annual Governance Statement, Officers suggest the following areas for further development;
- Ensuring that Members have the information and opportunity to make good, clear decisions on their priorities for the Business Plan and the type and level of public input needed for this, including in relation to PIs.
 - Improving communications and avoiding duplication in the publication of various vehicles for sharing information with Members, volunteers and staff.
 - A fourth survey of residents' satisfaction with the work of the Authority will be undertaken allowing comparative data to be collected including an assessment of satisfaction and fairness in decision making.
 - Work flowing from the volunteer strategy will continue to be a priority as volunteers become involved in more parts of the Authority.
 - The review of the appraisal scheme will seek to ensure a balanced approach to performance assessment combining work output with standards of behaviour as outlined in the Values.
 - Agreement on whether the more fundamental reviews of the Scheme of Delegation, Standing Orders and financial Regulations can be postponed further.
 - Ensuring suitable public input to the new Local Plan and review of the Management Plan.

Members may wish to suggest other work which can then be subject to discussion at the meeting.

12. **Financial and Staffing Implications**

- 12.1 There are no direct additional financial or staffing implications arising from this report.

13. **Legal Implications**

- 13.1 There are no legal or sustainability implications arising from this report.

14. Recommendation

14.1 That Members comment on the Authority's performance in these areas, note the contents of the report, authorise payment in relation to the complaint as set out in paragraph 3.4 and make suggestions for further work on standards issues and the potential content of the annual governance statement.

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Background documents to this report

File Ref.