



Internal Audit Report  
Chief Executive's Service  
Members Interests 11-06  
August 2012

## Final Report

Chief Executive's Service  
Finance Division  
Perth & Kinross Council  
2 High Street  
Perth PH1 5PH

## Background and Introduction

This assignment forms part of the Internal Audit plan for 2011/2012, as approved by Audit Sub-committee on 09 March 2011.

The Ethical Standards in Public Life etc. (Scotland) Act 2000 introduced an ethical framework which required Scottish Ministers to publish a Councillor's Code of Conduct. Sections 4 and 5 of the Code detail specific requirements in relation to the registration and declaration of interests. The purpose of this review was to ensure that Section 4 of the Code is being adhered to.

In addition to the Act and the Code, there are a number of documents that set out key responsibilities and requirements of both Councils and Councillors in respect of the registration of elected members interests, including:

- Standards Commission for Scotland's Guidance for Councillors and Local Authorities in Scotland;
- Perth & Kinross Council's local Code of Corporate Governance;
- Scottish Statutory Instruments, 2203 No.135, Local Government Ethical Standards. The Ethical Standards in Public Life etc. (Scotland) Act 2000 (Register of Interests) Regulations 2003;
- Perth & Kinross Council's Gifts and Hospitality Policy/procedure and
- The Code of Recommended Practice on Local Authority Publicity.

The primary source of guidance for elected members is 'The Standards Commission for Scotland Guidance on the Councillors Code of Conduct'. The Code specifies it is a councillor's personal responsibility to comply with the requirements of the Code and review at least annually, their personal circumstances.

## Acknowledgements

Internal Audit acknowledges with thanks the co-operation of the Chief Executive's Service Democratic Services Division, Members Services during this audit.

## Control Objectives and Opinions

This section describes the purpose of the audit and summarises the results. A 'control objective' is a management objective that requires the maintenance of adequate and effective internal controls to ensure that it is achieved. Each control objective has been given a rating describing, on the basis of the audit work done, the actual strength of the internal controls found to be in place. Areas of good or poor practice are described where appropriate.

Control Objective: To ensure that the Council has adequate procedures and effective controls in place to ensure that elected members register and declare relevant interests on a timely basis and that these are publicly available.

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### Auditor's Comments:

There are measures in place to ensure that elected members update their registerable interests on a quarterly basis. Further audit review confirmed that the published elected member's Interests had been updated in June 2012 following the local government elections in May 2012.

The Code gives emphasis to the need for training and induction sessions for all councillors and officers. Audit testing confirmed that the required training had been carried out as part of the Elected Member Induction Programme. Course material reviewed was found to meet training requirements. Additionally, attendance at the relevant elected members training sessions was confirmed.

As such, assurance can be placed on the processes in place for ensuring that elected members are familiar with all relevant practices and procedures. In addition, the procedures and processes in place for recording, updating and checking of elected members interests has been found to be effective.

Strength of Internal Controls:	Strong
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### Management Action and Follow-Up

Responsibility for the maintenance of adequate and effective internal controls rests with management. There are no areas where management action is required to remedy control weaknesses. As such, there is no Action Plan attached to this report.

Management should ensure that the relevant risk profiles are reviewed and updated where necessary to take account of the contents of Internal Audit reports. The completeness of risk profiles will be examined as part of Internal Audit's normal planned work.

### Feedback

Internal Audit welcomes feedback from management, in connection with this audit and the Internal Audit service in general.

### Distribution

This report has been distributed to:

B Malone, Chief Executive

J Walker, Depute Director of Housing & Community Care & Finance

G Taylor, Head of Democratic Services

C Flynn, Democratic Manager

R Hughes, Senior Civic Services and Members' Services Officer

P Dickson, Complaints & Governance Officer

M Kay, Senior Committee Officer

External Audit

## Internal Audit Report

### Authorisation

The auditor for this assignment was J O'Connor. The supervising auditor was D Farquhar.

This report is authorised for issue:

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Jacqueline Clark  
Chief Internal Auditor  
Date: