

annual report and accounts 2005–06

Our goal has always been clear: the highest possible standards of ethical behaviour. **The big steps forward we took last year were those of transition and devolution.** As these gain their own momentum, our growing responsibility is to direct, lead and share experience and knowledge with our stakeholders. But our goal hasn't changed. To find out what has, read on

highlights of 2005–06

a year of progress and achievement

- The government supported our proposals for a new Code of Conduct
- We enabled local authorities to handle the majority of investigations and supported their work
- Initial assessment of complaints turned around in nine working days, beating our target
- We are now achieving our target of completing 90% of cases within 6 months
- The Fourth Annual Assembly of Standards Committees held in September marked local authorities taking greater ownership of the ethical agenda

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Letter from our chair and chief executive This is not a new direction – we have always championed local ownership of the drive towards high standards.

improving and performing

We began the year looking forward to **increasing change and devolution**: change in our role – as we focus on becoming a strategic regulator – and devolution as greater responsibility for the ethical agenda passes to local authorities. We welcomed the minister's announcement in December that outlined the government's positive response to recommendations by the Committee on Standards in Public Life and the Committee on the Office of the Deputy Prime Minister. In moving forward with these changes we have continued to adjust the focus of our work away from the investigation of cases and towards the provision and maintenance of **a national framework and local ownership**. This is not a new direction – we have long supported local ownership of the drive towards high standards – but it is an important time for the Standards Board for England, and you can read more about the developments in our annual review.

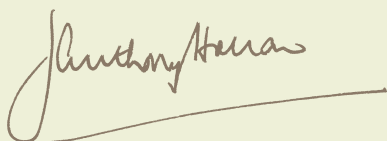
At the same time, our performance remains a priority and we have made significant progress. We are pleased to report **continued achievement in our key performance indicators**. 14 out of 15 measures have been fully met. Notably, we beat our target of turning around the initial assessment of complaints within ten working days. The government acknowledged our attainment in its response to the Committee's Seventh Report of Session, noting, "**...the impressive improvements in case handling which the Board has achieved over the past year and a half...**". Since then, we have accomplished our objective of completing 90% of cases within six months. We also continue to work effectively with partnership organisations in order to increase the level of support available to local authorities in relation to the ethical framework.

We are pleased to see that, generally speaking, local investigations are being handled well and we have provided guidance and support to help this happen. It is vital that standards committees and monitoring officers are fully equipped for the increase in the number and diversity of the cases that they will be handling and that they have the systems and expertise in place to succeed. As a result, our commitment to providing clear, relevant and useful guidance will intensify over the coming months.

There will be further changes as proposals for **a new Code of Conduct** come to fruition. The existing Code has provided a framework for promoting high ethical standards and is generally accepted and embedded locally, but it is now essential to reflect developments and experience. We consulted widely on this with local authorities and made recommendations to the government for a clearer, more enabling Code of Conduct, which will be owned by members. The government supports our recommendations and we are working with them to get the details right so we can see the new Code implemented as soon as possible. To underpin its success, we will be producing updated guidance and helping standards committees, monitoring officers and members to understand the changes and their new responsibilities. You can read more about the proposed changes to the Code of Conduct in our annual review.

We would like to thank everyone on our team who has worked so hard to make this important year such a success in terms of achievement – with special mention to Board members John Bowers, Alan Doig and Margaret Pratt whose terms of office came to an end during the year. We are delighted to **welcome three new members**. Paul Gott, Elizabeth Hall and Judy Simons have already brought valuable expertise on law, regulation and education respectively and we look forward to working with them.

Our challenge for the year ahead is to move forward with all the changes. We will continue to build on everything that has been accomplished so far, but there is much still to do.



Sir Anthony Holland, Chair



David Prince, Chief Executive

Performance

key performance indicators

A number of key performance indicators were introduced and monitored during 2005–06.

1 Table 1 below presents our performance for 2005–06 against key performance indicators contained within the Corporate Plan. There were 19 KPIs of which:

- _ 14 out of 15 have been achieved, and;
- _ four have yet to be confirmed and are to be measured as part of the Standards Board satisfaction research. Results will be available on completion.

2 Key achievements over the course of 2005–06 include:

- _ Referrals ten day notification target achieved for the first time
- _ Five working day correspondence target achieved for the first time
- _ Further improvements in the throughput of the casework process
- _ Further partnership work with other key organisations facilitating greater joined up working arrangements in delivering the government's ethical agenda

Table 1: Performance against KPIs

KPI	Target	Performance 2005–06	Comments
Telephone enquiries (other than case-related) to receive a substantive response within two working days	90%	Achieved 99%	A consistently achieved target reflecting our commitment to excellent customer service.
Correspondence (including faxes and emails but excluding case-related correspondence) receiving a substantive response within five working days of receipt	90%	Achieved 93%	Achievement of this target was one of our priorities for the year. It is now being consistently met across the organisation.
Average sickness absence rate	Below 3.5%	Achieved 2.91%	
Percentage of invoices paid within terms	90%	Achieved 95%	Consistently met for the second consecutive year.
Proportion of permanent staff to be drawn from ethnic minorities	7.2%	Achieved 23%	A new performance target will be set to reflect our Policy and Guidance Department in Manchester and our existing London office for the financial year 2006–07.
Performance against budget	Performance within budget	Achieved	There was an underspend of £468,000 for the financial year 2005–06.

KPI	Target	Performance 2005-06	Comments
Average time taken from receipt of allegation to notification	10 days	Achieved 9.0 days	We believe that it is important that relevant parties know the outcome of the initial consideration of complaints as soon as possible. The ten-day referral target has now been achieved for the first time.
Average time taken to complete a case	3 months	Achieved 1.65	This includes all cases received by the organisation, consisting of those referred for investigation and those not.
Cases closed should equal cases referred	No further backlog to occur – 1.0	Achieved 1.32 closed for every case referred	This measure is to ensure that no backlog of cases occurs. For 2005-06 1,133 cases were closed and 857 referred for investigation.
Evaluate pilot of pre-referral information gathering to reduce inappropriate referrals	June 2005	Achieved	This was a successful pilot and the process is now established as a procedure within the Referrals Unit's quality management system.
Evaluate effectiveness of mechanism for identifying cases to be referred locally	November 2005	Achieved	We exceeded our 30% working assumption of cases referred for local investigation, achieving 44% over the year.
Evaluate effectiveness of local investigations	November 2005	Achieved	Our evaluation suggests that, overall, local investigations are effective in most places.
Average number of cases closed per investigator	No less than 36	Not achieved 26	As more cases went local our own caseload comprised the more complex cases requiring greater input. Investigators also provided support to authorities in an additional 392 cases referred for investigation or direction. We reviewed and reduced both our numbers of investigators and their case load to reflect these trends.

Performance continued

KPI	Target	Performance 2005–06	Comments
Demonstrate input into Audit Commission and IDeA ethical tools to assist councils	Joint badging where possible	Achieved	We continue to work effectively with our partner organisations, including both the Audit Commission and IDeA. We held workshops for local authorities throughout the year focusing on the ethical toolkit for councils, jointly developed with the IDeA.
Impact on the ethical governance element of the methodology for the Comprehensive Performance Assessment	Measurable input	Achieved	We made a significant contribution to the ethical governance element of Comprehensive Performance Assessments carried out by the Audit Commission.
General satisfaction with the work of the Standards Board	> 65%	Survey underway	We are awaiting findings from the satisfaction research project currently being undertaken. These figures will be reported on our website.
Level of dissatisfaction with the work of the Standards Board	< 15%	Survey underway	
Measuring member and officer views of local standards of conduct	Improvement trend	Survey underway	
Perception of those investigated against fairness, appropriateness of knowledge/experience of investigator, thoroughness and professionalism	Improvement trend of 35% satisfied	Survey to be completed during 2006–07	

Other key casework performance targets

Completing investigations

Our performance in completing investigations has continued to improve. 738 cases were completed centrally during the financial year 2005–06 (this figure includes cases referred for investigation during 2004–05, but which were completed in this financial year). During the last quarter, 97% were completed within six months.

The accounts – management commentary

year ended 31 March 2006

Format of the annual accounts

The annual accounts have been prepared in a form directed by the First Secretary of State with the consent of HM Treasury in accordance with the *Local Government Act 2000*.

History of the Standards Board for England

The background to the Standards Board for England and its main tasks are explained in the Annual Report.

Statutory background

The Standards Board for England is a corporate body established on 22 March 2001 by the First Secretary of State under powers conferred by the *Local Government Act 2000*.

Principal activities of the Standards Board for England

The Standards Board for England is a non-departmental public body sponsored by the Office of the Deputy Prime Minister (ODPM) which has been renamed Department for Communities and Local Government (DCLG) but will be referred to as the ODPM throughout the accounts. The Standards Board's principal activities are explained in the Annual Report.

Significant changes in tangible fixed assets

The movement in tangible fixed assets is shown in note 11 to the annual accounts.

The Standards Board for England activities and how these are undertaken

The Standards Board for England was formally established in March 2001. Although set up by an Act of Parliament it is an independent body. The Standards Board oversees and promotes the Code of Conduct – a set of rules that all members of local authorities must follow when elected or appointed – and is responsible for promoting high standards of conduct and investigating complaints that members may have breached the Code of Conduct.

Complaints are assessed and, if appropriate, referred for investigation. The Standards Board focuses on fair, effective treatment of the most serious cases and expects them to be dealt with at local level wherever possible. Guidance and support is provided to standards committees and monitoring officers in order to achieve this.

In expectation of formal legislation, the Standards Board for England intends to become a more strategic regulatory body, ensuring that standards committees act effectively and in an impartial way while supporting them with information and guidance. The Standards Board will still handle cases centrally, for example those that have national significance or set an important precedent, along with those that cannot be investigated locally.

The legislative, regulatory, operational and external environment

Part of the Standards Board for England's strategic role is to ensure that standards and conduct issues are properly integrated into corporate governance responsibilities. Other functions include taking responsibility for the Code of Conduct and keeping it up to date in light of experience and issuing appropriate guidance on case handling and Code-related issues. The Standards Board will also be responsible for monitoring the numbers and outcomes of cases, identifying trends and common problems and dealing with any concerns relating to the case handling system not working at a local level.

The Standards Board for England has consolidated its links with other regulators and key stakeholders who are engaged in the local government improvement agenda. For example, it has built on the work already done with the Audit Commission on the incorporation of standards and conduct issues into the comprehensive performance assessment and developed, in partnership with the Audit Commission and IDeA, an ethical governance toolkit which enables authorities to assess the extent to which they are meeting the ethical agenda and how they can improve. The Standards Board Chief Executive also chairs a Joint Working Steering Committee, which includes various stakeholders, to oversee joint projects and share and discuss information of mutual interest.

Research projects to assess the Standards Board's performance and effectiveness have been commissioned, including identifying the components of an ethical environment. These findings have been used in evidence to, for example, the Lyons Inquiry and the CIPFA/SOLACE working group developing 'good governance in local government: a framework'. The research also serves to develop the ethical governance toolkit, improve the advice and guidance given to authorities and, in publications, raise awareness of ethics issues. The Standards Board has also engaged with the public more directly, through the provision of information and as part of the research programme looking at public perceptions and levels of satisfaction with its work.

In order to support learning and the sharing of good practice the Standards Board will continue to set up and maintain new networks of key stakeholders where they do not already exist, while supporting and working actively with existing stakeholder groups. The Standards Board has also developed support for parish and town councils, taking seriously its role as the only national regulator that has any significant engagement with this sector.

The Standards Board for England's objectives and strategies for achieving them

The Standards Board for England works with local government and others to build confidence in local democracy through the promotion of high standards of conduct, using a number of key objectives to achieve this. These objectives are: to assist relevant authorities in achieving high standards of ethical conduct through the issue of guidance and recommendations; to provide independent, impartial and timely investigation of alleged breaches of the Code of Conduct; and to provide support for the Adjudication Panel for England.

In meeting these objectives, the Standards Board aims to discharge its duties and exercise its powers in a way that is fair and open and preserves its independence and integrity. The Standards Board aims to ensure the proper discharge by ethical standards officers of their statutory functions and to put in place robust and fair procedures for the conduct of investigations and appropriate rules governing privacy and confidentiality, consistent with the provisions in section 63 of the *Local Government Act 2000* and other relevant legislation (such as the *Human Rights Act 1998* and the *Data Protection Act 1998*). Finally, the Standards Board aims to establish effective working relationships with other bodies, including the Police, the Commission for Local Administration and district auditors; and, as appropriate, to develop protocols with them about the conduct of investigations in which they have a joint interest.

Resources available to the entity: key strengths

The Standards Board for England's case management system has continued to be enhanced during 2005-06 and fulfils a key function in our casework handling. The developments include introducing a time recording system that enables us to monitor and report on the time and resources spent on each individual case that we handle.

During 2005-06, the Standards Board launched the first phase of an organisational-wide quality management system (QMS). The QMS project involves mapping of all operational processes and identifying key documentation associated with each one, enabling staff to access these processes and key documentation online. The main objectives of the project are to improve quality control and to facilitate continual improvements in service delivery. The first phase involved launching the organisation's main business function – casework. It is being planned that all processes associated with other operational areas will be launched throughout 2006-07.

Staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the Standards Board's objectives. Recruitment continues to be from a broad range of backgrounds to ensure that the Standards Board has the right blend of knowledge and experience to operate effectively.

Key relationships with stakeholders (central government) that might affect the entity's long-term position

In December, the government responded to the recommendations by the Committee on Standards in Public Life and the Committee on the Office of the Deputy Prime Minister. The minister's announcement underlined and consolidated the Standards Board's move to becoming a strategic regulator. The government also approved a local assessment of complaints and the Standards Board's recommendations for changes to the Code of Conduct. The government's proposed changes to the ethical framework will require changes to legislation and will have a significant long-term impact on the Standards Board's future role and functions. There are a number of projects already underway to support these changes. However, any change in position by the government on its recommendations could have a considerable impact on the Standards Board's work.

Directors' Report

1 Review of the development of the Standards Board for England and its position at the balance sheet

In September, the Standards Board for England submitted recommendations to the government for a revised Code of Conduct. These recommendations were the result of a four-month long consultation exercise in which members were asked how they thought the Code of Conduct could be improved. Over 1,200 individuals, authorities and other organisations responded. In addition, nearly 1,000 members and officers added their views during a series of 11 roadshows across England. This consultation period provided a good opportunity to work with local government to develop a clearer, simpler Code of Conduct. In December the government accepted the recommendations in full.

The Standards Board's prime objective has been to continue ensuring that its referrals and investigations processes are fair, thorough, timely and consistent. The Standards Board received 3,836 complaints for the financial year 2005–06, a slight decrease on the year before. Complaints from members of the public made up 64% of the total received. There has been a further decrease in the percentage of cases referred for investigation to 22% from 24% in the previous year. Ethical standards officers referred 44% of cases for investigation by local authorities, with the Standards Board continuing to focus its resources proportionately on the most serious cases that damage the confidence in local democracy.

The Adjudication Panel for England acts independently from the Standards Board for England and provides open, fair and impartial hearings when an ethical standards officer passes matters, which are the subject of an investigation, to the Panel. 89 cases were heard during the year, resulting in 57 members being given sanctions ranging from partial suspension to disqualification.

The Standards Board has, within a relatively short time, established a positive reputation for providing high quality, clear and concise guidance on relevant issues, in addition to giving an effective and timely response to day-to-day enquiries. The Standards Board is continuing to gain experience of the types of issues arising from interpretation of the legislation and individual cases. It remains uniquely placed to have an oversight of misconduct issues across local government, having built networks and partnerships with local and national stakeholders to champion good practice and by publishing sound advice to help local government raise its standards.

2 Indication of likely developments

The government responded in December 2005 to our recommendations on the Code of Conduct, and to the reports of the Committee on Standards in Public Life and the Committee on the Office of the Deputy Prime Minister. At the centre of the government's plans is the desire to devolve decision-making to local authorities and to give standards committees a pivotal role in the ethical framework. Some of the government's plans involve significant change, both for the Standards Board and for local authorities.

One of the key proposals is the government's decision to adopt a 'local filter' approach to considering allegations, with standards committees receiving and assessing new allegations. This is designed to place standards committees at the heart of decision-making in relation to ethical conduct and to give local authorities greater responsibility for maintaining high standards. Although this system is unlikely to come into effect until at least 2008, there is a great deal of work ahead to ensure local authorities are fully prepared for the workload and the challenges it will bring. The Standards Board will also be developing its views on the key issues on making the new ethical framework effective to allow staff to consult with the Office of the Deputy Prime Minister (ODPM) if they are called upon to advise around the developing legislation.

The government's recommendations set out a continuing central role of the Standards Board for England within local government, championing and promoting high standards of conduct. However, with an increasing focus on local decision-making, the majority of investigations will be conducted at a local level, enabling the Standards Board to develop its strategic functions of providing guidance and support to local authorities and more resources to help local authorities with their training requirements.

The government accepted the recommendations for improving the Code of Conduct and the Standards Board will be pressing the Office of the Deputy Prime Minister (ODPM) to implement these changes as soon as possible. With the introduction of a revised Code of Conduct, new guidance will be published to help members and others understand their responsibilities.

It has been confirmed that the Standards Board will be relocating to Manchester, as part of the Lyons proposals to move south east-based public sector organisations. The first phase of the relocation will see the Policy and Guidance Department move to Manchester in June 2006. It is planned that the relocation of all staff, and the closure of the current office, will be completed by April 2007.

3 Post balance sheet events

No significant matters have occurred since the year end that require adjustment to the figures shown in the accounts or disclosure by way of a note therein.

4 Board members and executive directors

The Board Members who served in the year ending 31 March 2006, together with details of their remuneration, are shown in the remuneration report. Details regarding the appointment and remuneration of the Chief Executive, who is not a member of the Board, are shown in the remuneration report.

The membership of John Bowers QC and Professor Alan Doig ended on 21 September 2005. The membership of Margaret Pratt ended on 21 March 2006. The membership of Celia Cameron, Peter Chalke, and Councillor Louise Bloom expires on the 2 May 2006. New membership terms of Paul Gott, Elizabeth Hall and Judy Simons started on 13 February 2006 and will end on 13 February 2009.

All Board Members were re-appointed by the First Secretary of State in 2004 to serve between a further one and three years. The Chair's term of appointment was renewed for a further three years until February 2007.

5 Board delegation of referral decisions

The Standards Board for England kept under review its referrals criteria and continued to ensure that its focus was only on those allegations that have the potential to damage the public's confidence in local democracy. Politically motivated or vexatious complaints or those that sought to abuse the role and purpose of the Standards Board were rigorously weeded out. Of the 3,836 complaints received over the course of year, 22% were referred for investigation. These decisions were made and communicated to all the relevant parties in an average of nine working days – significantly quicker than in the previous year. The Standards Board continued to delegate responsibility for referral decisions to officers under the powers of the *Local Government Act 2000*.

The operating surplus for the year 2005–06 before interest receivable, notional cost of capital and taxation amounted to £267,000. Corporation tax is payable on interest receivable in the region of £7,361.

Remuneration and employment policy and methods used to assess performance

Remuneration policy

All staff operate under a job family performance related pay system, whereby each job is assigned a salary band, which is grouped with those jobs at the same grade and in the same family.

Salary ranges are externally benchmarked every three years and increased by average earnings increase for the two years in between. The benchmarks give a range for both the public and private sector and an average of both is applied to the mid point in the salary scales. The ranges then have a span of 15% either side of that mid point. This process ensures that salaries are competitive and enables the Standards Board for England to recruit, retain and motivate high calibre staff, from the public and private sectors.

Performance is assessed on an ongoing basis through a performance management system. The system monitors and tracks achievement against objectives agreed at the beginning of the year, and development against competencies agreed for the role. Performance is formally reviewed every six months, and a performance rating of one to five is given annually.

The performance rating is used to establish individual percentage salary increases. This is assessed on a matrix of the performance rating awarded against the individual's position in the salary band. In compiling the matrix, the minimum level is set at Retail Price Index for those staff achieving at least a satisfactory level rating of three (on the one to five scale).

Policy on recruitment

Where posts are permanent, all staff are recruited through open and fair competition and appointed on an open-ended permanent contract with a six-month probation period.

Where posts are temporary, or short-term cover is needed while the recruitment process is completed, staff are appointed on a fixed term contract of up to one year, and usually appointed through an agency.

Occasionally, appointments on an agency contract basis are necessary. This would only be for very short-term temporary cover (of up to three months) or for IT temporary cover.

Decisions on pay

Decisions on pay have been delegated to the Standards Board Senior Management Team where they are within the rules set out in the Pay Guidelines.

The guidelines set the rules for pay on recruitment, pay on promotion, pay for temporary and additional responsibility allowances, and for the annual pay review. Pay decisions made within these guidelines are made by the Senior Manager in conjunction with the HR Manager or an HR Officer. Any pay changes outside of these guidelines require approval from the Office of the Deputy Prime Minister (ODPM).

Amendments to Senior Management pay and agreement to the overall annual salary review are made by the Remuneration Committee. The Remuneration Committee members consist of the Audit Committee members, the Head of Corporate Services and the HR Manager.

Remuneration and employment policy and methods used to assess performance continued

Salary

Salary includes basic salary and allowances. Allowances consist of either an Acting Allowance, for those staff acting up to a high grade or job on a temporary basis or an Additional Responsibility Allowance, for those staff taking on additional responsibilities for a temporary period.

No other allowances or benefits in kind are paid to Standards Board employees.

Pension benefits

All staff are entitled to be members of a defined benefit Local Government Pension Scheme. Employer's contributions are set at the rate of 13% of pensionable earnings with an earnings cap of £105,000.

Employment issues

The Standards Board for England aims to be a good employer. There are a number of ways in which this is demonstrated.

- _ The formulation of human resource policies and procedures that reflect current best practice, ensuring fairness and consistency of approach in all employment issues.
- _ The use of a performance appraisal system, to reinforce the vital link between corporate and departmental goals and individual performance against agreed competencies.
- _ The development of an appropriate retention strategy to enable business continuity during a period of change.
- _ The ongoing development of a human resource strategy to set high standards of practice in terms of resourcing, learning and development, and organisation development across its core and temporary workforces to deliver optimal organisational performance.
- _ The creation of systems to encourage employee involvement and consultation, such as the involvement of an elected Staff Council to represent staff views to senior management and the Board in all issues having an impact on staff, and the recognition of a trade union.
- _ The performance review process is linked to the pay structure to enhance the rewarding of effective performance. Access to a flexible range of additional benefits is also available to staff.

- _ The Standards Board for England is fully committed to a policy of equal opportunities in all aspects of employment. The aim of the policy is to ensure that all job applicants and employees receive fair treatment regardless of their gender, sexual orientation, race, nationality, ethnic origin, colour, creed, disability, marital status, age, trade union membership, religious or political beliefs.
- _ Additional resource has been made available to the staff being made redundant as a result of either the restructure or the relocation. This has been directed into additional training to assist career development outside the organisation and careers counselling and outplacement sessions.

The Board consists of 10 members including the Chair and are appointed by the First Secretary of State on renewable contracts lasting up to 36 months. Details of the Board Members' emoluments for the year were as follows:

Name	Position	Date of original appointment	Date of reappointment	Fees and other remuneration £'s	NI £'s
Sir Anthony Holland	Chair	07/02/01	07/02/04	40,000	4,493
P Hughes	Deputy Chair	22/03/01	22/03/04	15,277	1,330
L Bloom	Member	06/09/04	n/a	7,130	286
J Bowers	Member	22/03/01	n/a	3,382	119
C Cameron	Member	03/05/01	03/05/04	11,123	797
P Chalke	Member	03/05/01	03/05/04	7,130	286
A Doig	Member	22/03/01	n/a	3,713	133
P Gott	Member	13/02/06	n/a	1,188	100
E Hall	Member	13/02/06	n/a	1,188	100
M Pratt	Member	22/03/01	n/a	8,049	403
P Sabapathy	Member	22/03/01	22/03/04	7,469	329
J Simons	Member	13/02/06	n/a	1,188	100
R Taylor	Member	22/03/01	22/03/04	15,183	1,317
				122,020	9,793

No pension contributions are payable for Board Members.

Remuneration and employment policy and methods used to assess performance continued

Member	Full agenda Board meetings 2005-06		Time commitment (days per month)
	Maximum possible	Actual attendance	
Sir Anthony Holland	8	7	8.7
P Hughes	8	7	2.5
L Bloom	8	6	2
J Bowers #	3	1	2
C Cameron	8	6	2
P Chalke	8	8	2
A Doig #	3	2	2
P Gott*	1	1	2
E Hall *	1	1	2
M Pratt	8	6	2
P Sabapathy	8	6	2
J Simons *	1	1	2
R Taylor	8	7	2

These figures are excluding attendance at other meetings, inside and outside the Standards Board for England. All Board Members have attended their committed days either through full Board meetings, limited-agenda Board meetings or in the many conferences, seminars and roadshows held around the country. Sir Anthony Holland's attendance was reduced from 10.8 to 8.7 days per month from 1 September 2004.

* appointed 13 February 2006

appointment ended 21 September 2005

Senior Management Team and Chief Executive Officer costs (Excluding Board Members)

The salary, pension entitlements and the value of any taxable benefits in kind of the senior management team of the Standards Board for England reporting to the chief executive officer were as follows:

Name	Salary 2005-06 £	Salary 2004-05 £
David Prince Chief Executive Officer	109,200	106,000
Allister Duncan Head of Corporate Services	73,909	68,224
Chris Boothman Head of Legal Services	73,945	71,375
Lisa Klein Head of Investigations	82,087	79,235
Paul Hoey Head of Policy and Guidance	68,869	61,994
Kathy Farrand Head of Referrals	59,482	44,035
Tim Bogan Head of Communications	57,311	54,708
Sharon Penn Manager of the Adjudication Panel for England	40,619	38,907
	565,422	524,478

No senior manager enjoyed any benefit in kind during the 2004-05 as well as the 2005-06 financial year.

Remuneration and employment policy and methods used to assess performance continued

Pension benefits

Name	Benefits in kind	Accrued pension at age 60 at 31.3.06 (£k)	Real increase in pension at age 60 (£k)	*CETV at 31.3.05 (nearest £k)	*CETV at 31.3.06 (nearest £k)	Real increase in CETV (nearest £k)
D Prince	Nil	0–5	0–2.5	17	36	18
A Duncan	Nil	5–10	0–2.5	101	125	22
C Boothman	Nil	0–5	0–2.5	37	52	14
L Klein	Nil	0–5	0–2.5	42	58	15
P Hoey	Nil	10–15	0–2.5	140	172	28
K Farrand	Nil	5–10	0–2.5	52	81	27
T Bogan	Nil	10–15	0–2.5	148	168	16
S Penn	Nil	0–5	0–2.5	33	45	10

The real increase in the value of the CETV

Name	Accrued pension at age 60 at 31.3.06 and related lump sum (£k)	Real increase in pension and related lump sum at age 60 (£k)	*CETV at 31.3.05 (nearest £k)	*CETV at 31.3.06 (nearest £k)	Real increase in CETV (nearest £k)	Employers' contribution to pension account (nearest £100)
D Prince	10–15	2.5–5	17	36	18	14,200
A Duncan	35–40	2.5–5	101	125	22	9,600
C Boothman	15–20	2.5–5	37	52	14	9,600
L Klein	15–20	2.5–5	42	58	15	10,700
P Hoey	55–60	7.5–10	140	172	28	9,000
K Farrand	25–30	7.5–10	52	81	27	7,000
T Bogan	45–50	2.5–5	33	45	16	7,400
S Penn	15–20	2.5–5	17	36	10	5,300

* Cash equivalent transferable value

Senior managers and the Chief Executive Officer did not enjoy any benefits in kind during the 2004–05 and 2005–06 financial year.

Staff and Board Members' costs

The number of staff, including the Chief Executive, whose annual rate of remuneration as at 31 March 2006 exceeded £40,000, excluding pension contribution but including any benefits in kind, was:

Remuneration band	2005-06 no.	2004-05 no.
£40,000-£44,999	8	9
£45,000-£49,999	7	3
£50,000-£54,999	1	8
£55,000-£59,999	7	1
£60,000-£64,999	0	1
£65,000-£69,999	4	4
£70,000-£74,999	2	1
£75,000-£79,999	0	2
£80,000-£84,999	1	0
£85,000-£89,000	0	0
£90,000-£94,999	0	0
£95,000-£99,999	0	0
£100,000-£104,999	0	0
£105,000-£109,000	1	1
	31	30

Environmental issues

The Standards Board for England is committed to adopting policies to promote the conservation of energy, reducing waste, minimising the use of greenhouse gases and encouraging the recycling of material whenever consistent with the efficient use of public funds.

An environmental working group was established in November 2005 to review existing procedures and to look towards new initiatives that could be implemented. The draft policy is currently with the Union and Staff Council for review and once this has been finalised it will be issued to staff and the new initiatives will be implemented.

Better payment practice code

The Standards Board for England complies with the *British Standard for Achieving Good Payment in Commerce Transactions* (BS7890) in its treatment of all its suppliers. The Standards Board also complies with the *Late Payment of Commercial Debts (Interest) Act 1998*. Excluding disputed items, key performance indicators show that 95% of suppliers' invoices were paid within 30 days of the supplier's invoice date.

Remuneration and employment policy and methods used to assess performance continued

External auditors

The auditor for the year ended 31 March 2006 is the Comptroller and Auditor General. The remuneration fee for the audit was £29,000.

Audit information

As Accounting Officer, I confirm that there is no relevant audit information that the external auditors are unaware of and that I have taken all the steps to ensure that they are aware of all relevant information.

Disclosure of registered interests by Board Members and higher-paid employees

The Standards Board for England maintains a comprehensive register of interests for Board Members and higher-paid employees, which is available for public inspection on the website (www.standardsboard.co.uk) and on application to the secretary to the Board. Members of the public may also visit the Standards Board's offices during normal working hours to inspect the register.

Signed by



David Prince, Chief Executive
and Accounting Officer

and on behalf of the Board



Sir Anthony Holland, Chair

The Standards Board for England
12 July 2006

Statement of the Board's and the Accounting Officer/ Chief Executive's responsibilities

Under the *Local Government Act 2000* the Board of the Standards Board for England is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the First Secretary of State with the consent of HM Treasury.

The Accounting Officer for the Office of the Deputy Prime Minister (ODPM) has designated the Chief Executive of the Standards Board for England as the Accounting Officer for the Board.

The relevant responsibilities as Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the *Non-Departmental Public Bodies' Accounting Officer Memorandum* issued by HM Treasury and published in *Government Accounting* by the Stationery Office.

The annual accounts are prepared on an accruals basis and must show a true and fair view of the Standards Board's state of affairs at the year-end and of its income and expenditure and cash flows for the financial year.

In preparing these accounts, the Standards Board is required to:

- _ observe the accounts direction issued by the First Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- _ make judgements and estimates on a reasonable basis
- _ state whether or not applicable accounting standards have been followed and disclose and explain any material departures in the financial statements
- _ prepare annual accounts on a going concern basis, unless it is inappropriate to presume that the Standards Board will continue in operation.

Statement on internal control

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Standards Board for England's policies, aims and objectives, while safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Government Accounting*.

The Standards Board for England has now completed its fifth full year, having been set up in March 2001. The Standards Board has a comprehensive set of policies and procedures in place, appropriate for the organisation, and which represent an effective key element of the overall internal control system. The Standards Board's continuing growth in understanding of the nature and extent of its responsibilities, and the mechanisms required to effectively manage its business, has led to further development of finance policies and procedures aimed at ensuring effective control and the full implementation of Treasury guidance.

In addition, the system of internal control includes:

- _ an annual corporate planning process during which performance targets and strategic, operational and financial parameters are agreed by the Board. The Board monitors performance through regular reviews of the KPIs contained within the corporate plan and activities contained within the operational plan. The corporate plan, the three year strategic plan, is subject to scrutiny by the Office of the Deputy Prime Minister (ODPM) and approval by the First Secretary of State. The plans of individual business units were approved by the Board and are consistent with the overall operational plan, which, in turn, is based on the first year of the corporate plan
- _ budgets that have been delegated to appropriate levels of management with accurate and timely monthly management accounts being produced for all budget holders
- _ regular reviews by senior management and the Board of monthly and annual financial reports which indicate financial performance against forecasts.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Standards Board for England's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place the year ended 31 March 2006 and up to the date of the approval of the Annual Report and Accounts, and accords with Treasury guidance.

Capacity to handle risk

The Board has oversight responsibility for ensuring that I, as Accounting Officer, discharge my risk management responsibilities efficiently, effectively and economically. The Audit Committee regularly monitors the organisation's risk management performance.

The Audit Committee meets a minimum of three times a year and is made up of three full Board members. The Committee has a standing item on its agenda of review of risk management. Amongst other tasks, the Committee will, at least once a year, review the major corporate risks and the level of assurance provided against each one, and will make an assessment concerning the acceptability of the residual risk that has been identified.

The members of the senior management team collectively review both the corporate risk register and individual departmental risk registers twice annually.

The risk and control framework

The Standards Board for England has a risk management policy and strategy, which includes a methodology for measuring the relative levels of risk to the organisation. The two key areas are considered to be the risk to the organisation's reputation, followed by financial risks. Given the Standards Board's responsibilities, the loss of reputation is likely to be the most damaging outcome, with the potential to do the greatest harm to the organisation's capacity to effectively carry out its legislative functions. A review cycle has been established which ensures that the corporate risk register is comprehensively reviewed twice each year and that the residual risk, which is now identified on the register, is acknowledged and properly managed.

In addition to the actions mentioned above, the following has continued:

- _ the Board receives regular reports on all significant issues and every Board report includes a section on risks and financial consequences
- _ the comprehensive business planning process ensures that new risks, or changes to existing risks, are identified at each stage of the process, from horizon scanning, through to the agreement of detailed business plans for each department
- _ the setting up of departmental risk registers which are also subject to twice-yearly review
- _ the development of the use of a quality management system
- _ the reporting of performance against key performance indicators
- _ periodic reports from the Chair of the Audit Committee to the Board
- _ the Board Referrals Panel monitors the consistent application of referrals criteria and their case handling performance
- _ the Board Investigations Panel monitors the case handling performance of investigated cases. This includes selective review of closed cases to consider their impact locally and on the broader standards framework, and any issues arising from local standards committees or the tribunal cases of the Adjudication Panel for England, particularly in high profile cases (such as Islington)
- _ the Quality and Strategy Panel oversees the preparation and communication of the corporate plan, monitors the performance against the operational plan targets and oversees the operation and auditing of the quality management system.

Statement on internal control continued

During the year the following enhancements have been put in place:

- _ an IT security policy has been agreed and implemented
- _ the quality management system has been further developed and is now being used across the organisation
- _ the case management system has been developed, eliminating data quality concerns and improving the efficiency and accuracy of reporting
- _ a time recording system has been introduced for Investigations and Legal Services staff to enhance the capacity to effectively manage cases
- _ various recommendations have been implemented following two reviews of the Investigations Department's processes and procedures by external consultants. This was to ensure that they are efficient and timely in operation and that they are compliant with natural justice, the *Human Rights Act* and good practice in terms of fairness. The reviews considered issues emerging over the year in the Islington and other cases
- _ the Transition Panel has been established to consider in detail the implication of the new regulatory framework and the relocation to Manchester, and make appropriate recommendations to the Board. The Panel considers and reviews the risk of the transition, which are contained in the overall risk register, and monitors the transition projects within the operational plan
- _ the Board's own code of conduct for Board members has been revised, having regard to the expected changes in the Code of Conduct for councillors.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee, and plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board continues to take overall responsibility for monitoring my performance, and that of my executive officers, in delivering a sound and effective system of internal control. They do this in receiving and considering regular reports from the Audit Committee on the detailed work being done in developing and managing the system of internal control.

The Audit Committee is the mechanism employed by the organisation to enable detailed scrutiny of the internal control system and offers a forum, independent of management, where both the internal and external auditors can raise matters of concern regarding any weaknesses or failures in the system.

The Board continues to employ Bentley Jennison as internal auditors for the 2003–07 period operating to Government Internal Audit Standards. The work of the internal auditors has been carried out in accordance with the agreed plan subject to the changing analysis of the risk provided by the risk management processes, which are now being put in place and will be subject to careful scrutiny by the Board's Audit Committee.

At regular intervals, the internal auditors provide the Audit Committee and Accounting Officer with reports on the areas of activity subject to audit. The reports include the internal auditors' independent opinion on the adequacy and effectiveness of the Standards Board for England's system of internal control during the report period.

The development and maintenance of the control framework has continued to be informed by work undertaken by the senior management team. The content of the management letter and regulatory compliance report provided by the external auditors also played a vital role.

Signed by

A handwritten signature in black ink that reads "David Prince". The signature is written in a cursive style with a period at the end.

David Prince, Chief Executive and Accounting Officer
The Standards Board for England
12 July 2006

Comptroller and Auditor General's report to the Houses of Parliament

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Standards Board For England for the year ended March 31 2006 under the *Government Resources and Accounts Act 2000*. These comprise of the Income and Expenditure Account, the Balance Sheet, the Cash flow Statement and Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the Board, Chief Executive/Accounting Officer and auditor

The Board and the Chief Executive/Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the *Local Government Act 2000* and HM Treasury directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of the Board's and the Chief Executive/Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the *Local Government Act 2000* and HM Treasury directions made thereunder. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities that govern them. I also report to you if, in my opinion, the Annual Report is not consistent with the financial statements, if the Standards Board for England has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the statement on pages 22-25 reflects the Standards Board for England's compliance with HM Treasury's guidance on the Statement on Internal Control, and I report if it does not. I am not required to consider whether the Accounting Officer's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Standards Board for England's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Management Commentary, including the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the Board and the Chief Executive/Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Standards Board for England's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the *Local Government Act 2000* and directions made thereunder by HM Treasury, of the state of the Standards Board for England's affairs as at 31 March 2006 and of its surplus for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the *Local Government Act 2000* and HM Treasury Directions made thereunder; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn
Comptroller and Auditor General
12 July 2006

National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP

Income and expenditure account

year ended 31 March 2006

	Notes	2005-06 £'000	2004-05 £'000 Restated
Grant-in-aid	5	9,670	9,358
Other income	6	300	233
Total income		9,970	9,591
Administrative expenditure	7	9,703	9,534
Total operating expenditure		9,703	9,534
Operating surplus/(deficit)		267	57
Interest receivable	8	41	31
Notional cost of capital	9	(9)	(4)
Net pension interest and expected return on assets	17	(34)	(30)
Surplus/(deficit) on ordinary activities before taxation		265	54
Taxation	10	(7)	(5)
Surplus/(deficit) on ordinary activities after taxation		258	49
Add back notional cost of capital		9	4
Movement in pension reserve		16	(58)
Surplus/(deficit) carried forward		283	(5)

All amounts relate to continuing operations. The 2004-05 results have been restated to include the previously unavailable movement in the pension reserve.

Statement of recognised gains and losses

	2005-06 £'000	2004-05 £'000 Restated
Surplus/(deficit) for period	283	(5)
Actuarial loss from staff pension fund	(221)	109
Surplus/(deficit) for period	62	104
Prior year adjustment	-	(652)
Total recognised gains and losses for the period	62	(548)

Balance sheet

year ended 31 March 2006

In addition to the results for the year, the Standards Board for England has received grant-in-aid of £69,000 (2004-05: £107,000), which has been used to purchase tangible fixed assets (notes 5 and 14)

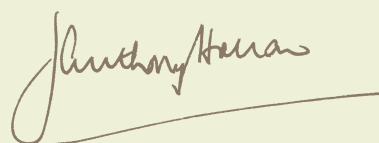
	Notes	2005-06 £'000	2004-05 £'000
Fixed assets			
Tangible assets	11	693	1,182
Current assets			
Debtors	12	489	443
Cash at bank and in hand		730	800
Total assets		1,912	2,425
Creditors			
Amounts payable within one year	13	892	1,199
Total assets less total liabilities		1,020	1,226
Long-term liabilities			
Pension liability	15	722	485
Total assets less liabilities		298	741
Represented by:			
Fixed asset reserve	14	684	1,173
Pension reserve	15	(722)	(485)
Grant reserve	16	336	53
Total reserves		298	741

Signed by



David Prince, Chief Executive
and Accounting Officer

and on behalf of the Board



Sir Anthony Holland, Chair

The Standards Board for England

12 July 2006

Cash flow statement

year ended 31 March 2006

	Notes	2005-06 £'000	2004-05 £'000
Net cash inflow from operating activities	3	472	636
Returns on investments and servicing of finance			
Interest received		41	31
Taxation paid		(7)	(1)
Capital expenditure			
Payments to acquire tangible fixed assets		(69)	(107)
Financing			
Increase in the fixed asset reserve		(489)	(419)
FRS 17 adjustments		(18)	(88)
(Decrease)/increase in cash in the year	4	(70)	52

Notes to the annual accounts

year ended 31 March 2006

1 Accounting policies

The accounting policies of the Standards Board for England follow advice issued by HM Treasury.

Accounting convention

The annual accounts have been prepared under historical cost accounting, whereby fixed assets, current-asset investments, and stocks (where material) should be reflected at Net Book Values. This value is not materially different from depreciated replacement cost.

Without limiting the information given, the annual accounts meet the accounting and disclosure requirements of the *Companies Act 1985* and best commercial accounting practice, including Statements of Standard Accounting Practice and Financial Reporting Standards as far as those requirements are appropriate, unless specifically adapted to meet the requirements of the Accounts Direction, a copy of which is included on page 45.

Capitalisation of fixed assets

In accordance with the Financial Memorandum, only items which cost more than or equal to £2,500 gross of VAT are capitalised, other items being written off as expenditure and included within the appropriate expenditure heading in the income and expenditure account.

Depreciation

Depreciation is provided on all tangible fixed assets on a straight-line basis over their estimated useful lives, except for assets under construction, which are not depreciated until those amounts are brought into use. The estimated useful lives are as follows:

office equipment	–	three years
furniture and fittings	–	five years
computer equipment	–	three years

(The existing infrastructure acquired during 2004–05 is being written off over three (3) years as a result of the lease term)

No depreciation is charged on assets under construction.

Government grants

Grant-in-aid is receivable by the Standards Board for England in order to discharge its functions. Grant of a revenue nature is credited to income in the year to which it relates. Grant utilised for the purchase of tangible fixed assets is credited to the fixed asset reserve and released to the income and expenditure account over the expected useful lives of the relevant assets. On the disposal of a fixed asset paid for wholly or in part by government grant, an amount equal to the profit or loss on disposal, or such proportion thereof as is appropriate, is transferred from the fixed asset reserve to the income and expenditure account.

1 Accounting policies continued

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded, as more likely than not that they will be recovered.

There are no deferred tax implications for the Standards Board at the end of the financial year.

Value added tax

The Standards Board for England registered for VAT on 21 March 2003 under special registration, which limits the Standards Board to account for VAT only on conference activity and publication sales. As agreed with HM Revenue and Customs, other activities of the Standards Board are not registered. All irrecoverable VAT is included as part of the expenses concerned and capitalised as part of the cost of fixed assets acquired as appropriate.

Operating leases

Leasing charges in respect of operating leases are recognised in the income and expenditure account over the life of the lease agreement as incurred.

Pension

Contributions to the Greater Manchester Pension Fund are made in accordance with actuarial recommendations and are charged to the income and expenditure account as they are incurred. The employer makes a contribution of 13% for each employee's pensionable salary who joins the scheme, which amounts to £359,000 in 2005–06 with prior year amounts being £315,000.

Notional cost of capital

In order to disclose the full cost of the Standards Board's activities, an amount is included for the notional cost of capital.

The notional cost of capital has been calculated at the Treasury rate of 3.5% on average net assets during the year.

Valuation of fixed assets

Fixed assets are valued at Net Book Value.

2 Staff and Board Members' costs

	2005-06 £'000	2004-05 £'000
Permanent staff costs, including the Chief Executive were:		
Wages and salaries, including performance related pay	4,046	4,084
Social security costs	378	391
Pension costs	341	227
	4,765	4,702
Temporary staff costs	363	599
Staff on secondment	50	137
Total staff costs, including the Chief Executive	5,178	5,438
Emoluments of the Chief Executive, David Prince		
Salary	109	106
Pension fund contribution costs	14	14
Social security costs	12	12
	135	132

The employer's contribution is calculated at the rate of 13% recommended for all the Standards Board for England's employees by the pension fund actuaries and is subject to the 'earnings cap' of £105,000. David Prince remained a member of the Standards Board for England's pension scheme, to which the Standards Board contributed at the appropriate rate, during his employment on a full-time basis.

Performance related pay is payable in the current year once approved by the Board and the First Secretary of State. It is based on the achievement of objectives during 2005-06, subject to a maximum payment of 10% of salary during the period.

Details of the Standards Board's pension scheme are shown in note 17.

Notes to the annual accounts continued
year ended 31 March 2006

2 Staff and Board Members' costs continued

Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In calculating the real increase in accrued pension, inflation has been assumed to run at 3.1% throughout 2005–06. Pensionable salary includes performance related pay.

	2005–06 Year end no.	2005–06 Average no.	2004–05 Year end no.	2004–05 Average no.
Number of persons employed during the year				
Policy and Guidance	12	12	18	18
Communications	8	8	–	–
Legal	11	10	9	7
Corporate Services and Chief Executive	19	19	19	16
Referrals	12	11	8	8
Adjudication Panel	4	4	4	4
Investigations	39	47	59	61
Board	9	9	10	10
	114	120	127	124
Contract staff	5	5	6	10
Seconded staff	0	1	1	1
Total number of staff	119	126	134	135

**3 Reconciliation of operating deficit to net cash inflow
from operating activities**

	2005–06 £'000	2004–05 £'000 Restated
Operating surplus/(deficit)	267	57
Depreciation charges	558	525
(Increase) in debtors	(46)	(27)
(Decrease) in creditors	(307)	81
Net cash inflow from operating activities	472	636

4 Reconciliation of net cash flow to movement in net funds

	2005-06 £'000	2004-05 £'000
Cash at bank and in hand carried forward	730	800
Less: cash at bank and in hand brought forward	800	748
Increase/(decrease) in cash in the year	(70)	52

5 Grant-in-aid

Grant-in-aid is receivable from the Office of the Deputy Prime Minister (ODPM) to fund revenue expenditure, the purchase of tangible fixed assets, and capital projects.

	2005-06 £'000	2004-05 £'000
Amounts receivable and received	9,181	8,940
Amount used to acquire tangible fixed assets	(69)	(107)
Movement in fixed asset reserve (note 14)	558	525
Grant-in-aid released to the income and expenditure account	9,670	9,358

6 Other income

	£'000
Conference income	290
Publications income	10
	300

Other income is in respect of conference revenue and publications sales net of Value Added Tax.

Conference income is generated through individual spaces sold at the annual assembly where the individual sale price is calculated on the basis to optimise attendance. The annual conference income amounted to £290,000.

Notes to the annual accounts continued
year ended 31 March 2006

7 Operating expenditure

	2005-06 £'000	2004-05 £'000
Administrative expenditure which comprises:		
Board Members' costs (remuneration report)	132	125
Staff costs (note 2)	4,765	4,702
Contracted staff (note 2)	413	736
Recruitment costs	220	317
Training	227	87
Professional fees	523	332
Conferences	519	406
External audit services	29	35
Internal auditors' fee	34	47
Rent and rates	970	1,016
Office equipment	26	32
Refurbishment	14	5
Communications	264	232
Office supplies	2	68
Computer expenses	212	263
Miscellaneous costs	16	20
Depreciation	558	525
Other administration costs	275	376
Subscriptions	28	35
Travel and subsistence	240	175
Relocation costs (note 22)	236	–
	9,703	9,534

Communications costs comprise the following expenses: conferences, publications, guidance/advice, website development, bulletins, case review, annual report and review, complaints leaflet and other communication.

8 Interest receivable

	2005-06 £'000	2004-05 £'000
Interest receivable	41	31

9 Notional cost of capital

	2005-06 £'000	2004-05 £'000
At 3.5% on the average of net assets during the year	9	4

10 Taxation

Corporation tax is charged on interest receivable. The tax charge is £7,361 for 2005–06 and is current tax only. The tax charge for 2004–05 was £4,950. In comparison to the amount charged for 2004–05, there has been an increase in interest receivable which resulted in a higher tax charge for 2005–06.

11 Tangible fixed assets

	Assets under construction £'000	Computer equipment £'000	Office equipment, furniture and fittings £'000	Total £'000
Cost				
At 1 April 2005	114	799	1,073	1,986
Additions	45	24	–	69
Completed assets transferred	(26)	26	–	–
At 31 March 2006	133	849	1,073	2,055
Depreciation				
At 1 April 2005	–	384	420	804
Charge for the period	–	258	300	558
At 31 March 2006	–	642	720	1,362
Net book value				
At 31 March 2005	114	415	653	1,182
At 31 March 2006	133	207	353	693

12 Debtors

	2005–06 £'000	2004–05 £'000
Prepayments	465	419
VAT debtor	6	–
Other debtors	18	24
	489	443

During the accounting period 2005–06 there were no material amounts of bad debts or any provision made for bad/doubtful debts.

Season ticket loans were made to staff during 2005–06 and the balance outstanding at year end was £31,980.

Notes to the annual accounts continued
year ended 31 March 2006

13 Creditors – amounts falling due within one year

	2005–06 £'000	2004–05 £'000
Creditors	403	426
Accruals	302	470
Deferred income	14	199
Other taxation and social security	129	104
Other creditors	44	–
Total creditors	892	1,199

There are no amounts falling due beyond one year.

14 Fixed asset reserve

	2005–06	2004–05
Brought forward	1,173	1,591
Amount used to acquire fixed assets	69	107
Less: Depreciation for the year	(558)	(525)
Carried forward	684	1,173

15 Pension reserve and liability

	2005–06	2004–05
Balance brought forward	(485)	(652)
Actuarial gain/(loss)	(221)	109
Current service cost	(341)	(227)
Employer contributions	359	315
Net return/(charge) on assets and liabilities	(34)	(30)
Balance carried forward	(722)	(485)

16 Grant reserve

	2005–06	2004–05 Restated
Brought forward	53	58
Income and expenditure account this period	283	(5)
Balance carried forward	336	53

17 Pensions

The Standards Board for England is an admitted body to the Greater Manchester Pension Fund, which operates under the *Local Government Pension Scheme Regulations*. It is a defined benefit scheme based on final pensionable salary.

The most recent triennial valuation was carried out as at 31 March 2006 by independent actuaries to the Greater Manchester Pension Fund to take account of the requirement of FRS17 in order to assess the liabilities of the Fund as at 31 March 2006. Hymans Robertson carried out the actuarial valuation. Liabilities are valued on an actuarial basis using the projected unit method of valuation, which assesses the future liabilities discounted to their present value.

The Standards Board for England also pays pensions direct to ex-employees who were awarded additional benefits under the Standards Board's early retirement scheme. These pension costs are funded from grant-in-aid as they are paid. The pension charge for the period is shown below.

The net Pension liability as at 31 March 2006 is estimated to be £722,000.

Appendix A contains scheme details in support of the related disclosures within the Standards Board's balance sheet as at 31 March 2006.

Appendix B contains the Revenue Account cost for the year ended 31 March 2006, along with an analysis of the amount recognised in the Statement of Recognised Gains and Losses. Also shown are the movement of the surplus/deficit over the year and the history of experience gains and losses, expressed as a percentage of assets and/or liabilities.

Appendix C contains estimates of the Revenue Account cost for 2006-07. These figures should be treated as provisional and are subject to change.

Certain FRS17 assumptions are set by the Board (e.g. salary increases). The actuary has stated the assumptions in this report are reasonable, largely being determined by the latest formal funding valuation.

Notes to the annual accounts continued
year ended 31 March 2006

17 Pensions continued

Appendix A – Balance sheet disclosure as at 31 March 2006

Assumptions as at	31 Mar 2006 % p.a.	31 Mar 2005 % p.a.	31 Mar 2004 % p.a.
Price increases	3.1	2.9	2.9
Salary increases	4.6	4.4	4.4
Pension increases	3.1	2.9	2.9
Discount rate	6.0	6.5	6.5

Assets (employer)	Long-term return at 31 Mar 2006 % p.a.	Assets at 31 Mar 2006 £(000)	Long-term return at 31 Mar 2005 % p.a.	Assets at 31 Mar 2005 £(000)	Long-term return at 31 Mar 2004 % p.a.	Assets at 31 Mar 2004 £(000)
Equities	7.4	2,504	7.7	1,785	7.7	1,261
Bonds	4.6	607	4.8	371	5.1	296
Property	5.5	355	5.7	267	6.5	191
Cash	4.6	356	4.8	214	4.0	116
Total	6.5	3,822	6.9	2,637	6.9	1,864

Net pension asset as at	31 Mar 2006 £(000)	31 Mar 2005 £(000)	31 Mar 2004 £(000)
Estimated employer assets (A)	3,822	2,637	1,864
Present value of scheme liabilities	4,544	3,122	2,516
Present value of unfunded liabilities	–	–	–
Total value of liabilities (B)	4,544	3,122	2,516
Net pension asset (A-B)	(722)	(485)	(652)

(The corresponding liabilities as at 31 March 2005 on a real discount rate of 2.8% p.a. were £3,784,000. The Revenue Account figures for 2005–06 have been calculated using a real discount rate of 2.8% p.a. (corresponding to a nominal rate of 5.8% p.a.).

17 Pensions continued**Appendix B – Revenue account costs for the year to 31 March 2006****Analysis of amount charged to operating profit**

Amount charged to operating profit	Year to 31 Mar 2006		Year to 31 Mar 2005	
	£(000)	(% of payroll)	£(000)	(% of payroll)
Service cost	341	12.5	227	9.0
Past service cost	–	–	–	–
Curtailement and settlements	–	–	–	–
Decrease in irrecoverable surplus	–	–	–	–
Total operating charge (A)	341	12.5	227	9.0

Amount credited to other finance income	Year to 31 Mar 2006		Year to 31 Mar 2005	
	£(000)	(% of payroll)	£(000)	(% of payroll)
Expected return on employer assets	199	7.3	147	5.8
Interest on pension scheme liabilities	(233)	(8.6)	(177)	(7.0)
Net return (B)	(34)	(1.2)	(30)	(1.2)
Net revenue account cost (A) – (B)	375	13.8	257	10.2

The service cost figures are based on the Regulations as they currently stand, i.e. they allow the revocation of the *Local Government Pension Scheme (Amendment) Regulations 2005*. They also include an allowance for expenses of 0.2%.

The interest cost on the Scheme liabilities has been calculated based on a discount rate of 5.8% p.a. (corresponding to a real rate of 2.8% p.a. as at 1 April 2005), and has been applied to the liabilities as at 1 April 2005 calculated on a net rate of 2.8% p.a.

Analysis of amount recognised in Statement of Total Recognised Gains and Losses (STRGL)

	Year to 31 Mar 2006 £(000)	Year to 31 Mar 2005 £(000)
Actual return less expected return on pension scheme assets	454	109
Experience gains and losses arising on the scheme liabilities	(4)	–
Changes in financial assumptions underlying the present value of the scheme liabilities	(671)	–
Actuarial gain/(loss) in pension plan	(221)	109
Increase/(decrease) in irrecoverable surplus from membership fall and other factors	–	–
Actuarial gain/(loss) recognised in STRGL	(221)	109

17 Pensions continued

Movement in surplus/deficit during the year

	Year to 31 Mar 2006 £(000)	Year to 31 Mar 2005 £(000)
Surplus/(deficit) at beginning of the year	(485)	(652)
Current service cost	(341)	(227)
Employer contributions	359	315
Contributions in respect of unfunded benefits	–	–
Other income	–	–
Other outgoings (e.g. expenses, etc)	–	–
Past service costs	–	–
Impact of settlements and curtailments	–	–
Net return on assets	(34)	(30)
Actuarial gains/(losses)	(221)	109
Surplus/(deficit) at end of year	(722)	(485)

History of experience gains and losses

	Year to 31 Mar 2006 £(000)	Year to 31 Mar 2005 £(000)
Difference between the expected and actual return on assets	454	109
Value of assets	3,822	2,637
Percentage of assets	11.9%	4.1%
Experience gains/(losses) on liabilities	(4)	0
Total present value of liabilities	4,544	3,122
Percentage of the total present value of liabilities	(0.1%)	0.0%
Actuarial gains/losses recognised in STRGL	(221)	109
Total present value of liabilities	4,544	3,122
Percentage of the total present value of liabilities	(4.9%)	3.5%

17 Pensions continued**Appendix C – Projected pension expense for the year to 31 March 2007**

Analysis of projected amount to be charged to operating profit for the year to 31 March 2007

Projected amount charged to operating profit	Year to 31 Mar 2007	
	£(000)	(% of payroll)
Estimated current service cost	303	11.2
Past service costs	–	–
Curtailment and settlements	–	–
Decrease in irrecoverable surplus	–	–
Total operating charge (A)	303	11.2

Projected amount credited to other finance income	Year to 31 Mar 2007	
	£(000)	(% of payroll)
Expected return on employer assets	266	9.8
Interest on pension scheme liabilities	(287)	(10.6)
Net return (B)	(21)	(0.8)
Estimated net revenue account cost (A) – (B)	324	12.0

18 Lease commitments

Annual commitments under operating leases	2005–06 £'000	2004–05 £'000
Land and buildings on leases expiring:		
Within one (1) year	197	–
Within two to five years	8	–
After five years	–	787
Other operating leases on leases expiring:		
Within two to five years	–	–
After five years	5	5
Total	210	792

During 2005–06 financial year, the Board exercised their break clause in their lease agreement and renegotiated a new one (1) year lease with the same landlord.

19 Financial instruments

HM Treasury guidance requires that the accounts of the Standards Board for England contain disclosures in respect of financial instruments (financial assets and financial liabilities) maintained by the Standards Board. Apart from short-term debtors and creditors, the only financial instrument maintained during the period was cash held on current account. In future years cash will also be held on deposit. The only associated risk is interest rate risk, which the Standards Board regards as minimal.

20 Related party transactions

The Standards Board for England is a non-departmental public body sponsored by the Office of the Deputy Prime Minister. The Office of the Deputy Prime Minister (ODPM) is regarded as a related party, as are other entities that it sponsors. The Standards Board had material transactions with ODPM during the financial year by way of grant-in-aid of £9,181K.

None of the Board Members, key management or other related parties have undertaken any material transactions with the Standards Board for England.

Greater Manchester Pension Fund is considered a related party and the Standards Board had transactions of £359K during the year (2004–05: £315K) being employer's contribution.

21 Capital commitments

The Standards Board does not have any capital commitment at present and is not likely to have any in the future.

22 Relocation cost

These costs consist of monies spent by the Standards Board during 2005–06 in relation to its move to Manchester. The Office of the Deputy Prime Minister (ODPM) agreed that the Standards Board should expense these monies in 2005–06 financial year and the total sum would be refunded during 2006–07.

23 Contingent liabilities

Given the nature of the business undertaken by the Standards Board for England, there exists the possibility that legal or other costs may arise subsequent to these accounts, in respect of cases completed or legal decisions given in 2005–06 or previous years.

24 Losses and special payments

During the 2005–06 financial year there was a fraud case where there was an immaterial loss of £981 to the Standards Board and there were no special payments made during the year.

Accounts direction

Accounts direction given by the first Secretary of State with the consent of the Treasury, in accordance with paragraph 13(B) of Schedule 4 to the *Local Government Act 2000*

- 1 The annual accounts of the Standards Board (hereafter in this accounts direction referred to as “the Board”) shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year-end. Subject to this requirement, the annual accounts for 2005–06 and subsequent years shall be prepared in accordance with:
 - (a) the accounting and disclosure requirements given in *Government Accounting* and in the *Government Financial Reporting Manual* issued by the Treasury (“the FReM”) as amended or augmented from time to time, and subject to Schedule 1 to this direction;
 - (b) any other relevant guidance that the Treasury may issue from time to time;
 - (c) any other specific disclosure requirements of the First Secretary of State;insofar as these requirements are appropriate to the Board and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the First Secretary of State and the Treasury, in which case the exception shall be described in the notes to the accounts.
- 2 Schedule 1 to this direction gives clarification of the application of the accounting and disclosure requirements of the *Companies Act* and accounting standards and also gives any exceptions to standard Treasury requirements. Additional disclosure requirements of the First Secretary of State and further explanation of Treasury requirements are set out in Schedule 2.
- 3 This direction shall be reproduced as an appendix to the annual accounts.
- 4 This direction replaces that dated 21 March 2003.

Signed by authority of the First Secretary of State

Paul Rowsell

An officer in the Office of the Deputy Prime Minister
17 March 2006

Schedule 1

- 1 Stocks and work in progress shall be included in the balance sheet at the lower of estimated replacement cost and estimated net realisable value.
- 2 Central government grants used to pay for fixed assets, stocks or work in progress shall be credited to a grant reserve. This is different from the requirement in accounting standards that such grants must be credited to deferred income.
- 3 Revaluation gains on fixed assets, stocks or work in progress, to the extent that the assets were financed by central government grants, shall be taken to the grant reserve in the balance sheet, without passing through the income and expenditure account. To the extent that the assets were financed by funds from other sources, revaluation gains shall be taken to the revaluation reserve in the balance sheet. This is different to the requirement of the *Companies Act* that all revaluation gains must be taken to one separate reserve.
- 4 On the disposal of fixed assets, stock or work in progress, any amount in the grant reserve relating to the assets shall be transferred directly to the general reserve in the balance sheet, without passing through the income and expenditure account.
- 5 On the disposal of a fixed asset financed wholly by central government grants, the profit or loss on disposal shall be offset in the income and expenditure account by an equal and opposite amount transferred to or from the general reserve. Where central government grants were only used to finance a part of the cost of the asset, the amount of the transfer to or from the general reserve shall be reduced in proportion.
- 6 The annual accounts shall be signed and dated by the Chair on behalf of the Board Members, and by the Accounting Officer.

Schedule 2

Additional disclosure requirements

The following information shall be disclosed in the annual accounts, as a minimum, and in addition to the information required to be disclosed by paragraphs 1 and 2 of this direction.

1 The notes to the annual accounts

- (a) an analysis of grants from:
 - (i) government departments
 - (ii) European Community funds
 - (iii) other sources identified as to each source;
- (b) For grants from the Office of the Deputy Prime Minister, the following information shall also be shown:
 - (i) the amount that the Board is entitled to receive for the year
 - (ii) the amount received during the year
 - (iii) the amount released to the income and expenditure account for the year
 - (iv) the amount used to acquire or improve fixed assets in the year
 - (v) movements on amounts carried forward in the balance sheet

and the note should make it possible to reconcile any of the amounts in (i) to (v) above, to each of the other amounts;
- (c) an analysis of grants included as expenditure in the income and expenditure account and a statement of the total value of grant commitments not yet included in the income and expenditure account;
- (d) details of employees, other than members of the Board, showing:
 - (i) the average number of persons employed during the year, including part-time employees, agency or temporary staff and those on secondment or loan to the Board, but excluding those on secondment or loan to other organisations, analysed between appropriate categories (one of which is those whose costs of employment have been capitalised)
 - (ii) the total amount of loans to employees. This amount was in the form of Season Ticket Loans. Balance being £31,980.02
 - (iii) employee costs during the year, showing separately:
 - (1) wages and salaries
 - (2) early retirement costs
 - (3) social security costs
 - (4) contributions to pension schemes
 - (5) payments for unfunded pensions
 - (6) other pension costs
 - (7) amounts recoverable for employees on secondment or loan to other organisations

Accounts direction continued

(The above analysis shall be given separately for the following categories:

- (I) employed directly by the Board
 - (II) on secondment or loan to the Board
 - (III) agency or temporary staff
 - (IV) employee costs that have been capitalised).
- (e) an analysis of liquid resources, as defined by accounting standards;
- (f) in the note on debtors, prepayments and payments on account shall each be identified separately;
- (g) a statement of debts written off and movements in provisions for bad and doubtful debts;
- (h) a statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £250,000, with separate disclosure and particulars of any individual amounts in excess of £250,000. Disclosure shall also be made of any loss or special payment of £250,000 and below if it is considered material in the context of the Board's operations.
- * (i) particulars, as required by the accounting standard on related party disclosures, of material transactions during the year and outstanding balances at the year end (other than those arising from a contract of service or of employment with the Board), between the Board and a party that, at any time during the year, was a related party. For this purpose, notwithstanding anything in the accounting standard, the following assumptions shall be made:
- (i) transactions and balances of £5,000 and below are not material
 - (ii) parties related to Board Members and key managers are as notified to the Board by each individual Board Member or key manager
 - (iii) the following are related parties:
 - (1) subsidiary and associate companies of the Board
 - (2) pensions funds for the benefit of employees of the Board or its subsidiary companies (although there is no requirement to disclose details of contributions to such funds)
 - (3) Board Members and key managers of the Board
 - (4) members of the close family of Board Members and key managers
 - (5) companies in which a Board Member or a key manager is a director
 - (6) partnerships and joint ventures in which a Board Member or a key manager is a partner or venturer
 - (7) trusts, friendly societies and industrial and provident societies in which a Board Member or a key manager is a trustee or committee member
 - (8) companies, and subsidiaries of companies, in which a Board Member or a key manager has a controlling interest
 - (9) settlements in which a Board Member or a key manager is a settlor or beneficiary

- (10) companies, and subsidiaries of companies, in which a member of the close family of a Board Member or of a key manager has a controlling interest
- (11) partnerships and joint ventures in which a member of the close family of a Board Member or of a key manager is a partner or venturer
- (12) settlements in which a member of the close family of a Board Member or of a key manager is a settlor or beneficiary
- (13) the Office of the Deputy Prime Minister, as the sponsor department for the Board.

For the purposes of this sub-paragraph:

- (i) A key manager means a member of the Board's management board.
- (ii) The close family of an individual is the individual's spouse, the individual's relatives and their spouses, and relatives of the individual's spouse. For the purposes of this definition, "spouse" includes personal partners, and "relatives" means brothers, sisters, ancestors, lineal descendants and adopted children.
- (iii) A controlling shareholder of a company is an individual (or an individual acting jointly with other persons by agreement) who is entitled to exercise (or control the exercise of) 30% or more of the rights to vote at general meetings of the company, or who is able to control the appointment of directors who are then able to exercise a majority of votes at board meetings of the company.

* Note to Schedule 2 paragraph 2(i): under the *Data Protection Act 1998* and the *Human Rights Act 1998*, the Board needs to obtain consent for some of the information in these sub-paragraphs to be disclosed. If consent is withheld, or if for any other reason information is not available, this shall be stated in the note.

our board

the Board

Chair: Sir Anthony Holland

Deputy Chair: Patricia Hughes CBE

Councillor Louise Bloom (term ends 2 May 2006)

John Bowers QC (term ended 21 September 2005)

Celia Cameron CBE (term ends 2 May 2006)

Peter Chalke CBE (term ends 2 May 2006)

Professor Alan Doig (term ended 21 September 2005)

Paul Gott (term began 13 February 2006)

Elizabeth Hall (term began 13 February 2006)

Margaret Pratt (term ended 21 March 2006)

Paul Sabapathy CBE

Professor Judy Simons (term began 13 February 2006)

Roger Taylor

Chief Executive

David Prince

Principal office

First floor, Cottons Centre
Cottons Lane, London SE1 2QG

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External

Comptroller and Auditor General
National Audit Office
157 – 197 Buckingham Palace Road
Victoria, London SW1W 9SP

Internal

Bentley Jennison
Unit 3, Hampstead Gate
1A Frognal, London NW3 6A

Sir Anthony Holland, Chair



Commitment, fairness and balance, plus a background in law and a practical approach to resolving disputes all help Sir Anthony to champion our core values. Admitted with honours as a solicitor to the Supreme Court in 1962, his career has taken in positions as noteworthy as President of the Law Society from 1990 to 1991, Chair of the BBC South Western Regional Advisory Council from 1984 to 1987, Chair of the Executive Board of JUSTICE from 1996 to 1999. He was also a member of the Council of the Howard League for Penal Reform from 1992 to 2002, Chair of the Securities and Futures Authority from 1993 to 2001 and Principal Ombudsman to the Personal Investment Authority Ombudsman Bureau from 1997 to 2000. Recent appointments include Chair of the Northern Ireland Parades Commission, and Independent Complaints Commissioner to the Financial Services Authority.

Patricia Hughes CBE, Deputy Chair



Patricia's experience of working at a high level in local government – she was awarded the CBE in 2001 for her services – plus her legal expertise, give her important insights into the council system. She worked as a secondary school teacher before qualifying as a solicitor in 1978 and holding legal posts in the Inner London Education Authority and the London Borough of Lambeth. She was also Chief Executive of the London Borough of Sutton from 1990 to 2001, Deputy Chief Executive and Borough Solicitor to the London Borough of Islington from 1987 to 1990 and a member of the Board of the National Disability Council from 1998 to 2000.

Councillor Louise Bloom



Louise has a well-rounded knowledge of the needs of our biggest stakeholder group through her significant experience as a parish councillor and her service in other tiers of local government. Cabinet Member for the Environment on Eastleigh Borough Council and a member of Hedge End Town Council, she is also an executive member of the South East England Regional Assembly and a member of the Local Government Association Regeneration Executive. Between May 2000 and February 2002 she was a Greater London Assembly member, Vice Chair of the Environment Scrutiny Committee and a member of the London Fire and Emergency Planning Authority. Professionally, she manages an advocacy project for Solent Mind.

John Bowers QC



Expertise in employment law and human rights, and extensive experience of mediation made John a valued member of our Board. Practising from Littleton Chambers, he is expert in a range of relevant legal issues. Author of *Bowers on Employment Law*, he has also written books on whistleblowing and human rights, lectured on human rights for the Judicial Studies Board and is an accredited Centre for Dispute Resolution mediator. A former Chair of the Employment Law Bar Association, John is a Recorder on the Midlands Circuit and a member of the Bar Disciplinary Tribunal. He is also currently a member of the SOLACE Commission on Managing in a Political Environment.

Celia Cameron CBE



A long-standing career in local government gives Celia a thorough knowledge of the issues facing councillors and local authorities. She was leader of the Labour Group on Norfolk County Council from 1990 to 2005, a county councillor for 24 years and a member of her local health authority for eight years. She chaired Norfolk County Council's Policy and Resources Committee from 1993 to 1999, the Cabinet from 1999 to 2001 and the Scrutiny Committee from 2001 to 2005. A member of the East of England Regional Assembly from 1998 to 2005, she is now a member of their Development Agency where her special interests include social inclusion and broad participation in the regional economy. She also has a background in the Women's Aid Movement, and her wider interests include the environment and sustainability.

Peter Chalke CBE



With experience of the commercial, political, educational and local authority environments, Peter brings extensive knowledge and expertise to our work. He was a county councillor from 1982 to 2005, Leader of the Conservative Group in Wiltshire from 1996 to 2003, Leader of the Local Government Association Conservative Group from 2003 to 2005 and is a past Leader of Wiltshire County Council. He was also a Board member of the South West Regional Development Agency and Wiltshire and Swindon Learning and Skills Council.

Professor Alan Doig



Alan's academic and professional career reflects many of the core ethical issues that face our Board. Professor of Public Services Management and Head of the Fraud Management Studies Unit at Teesside Business School, University of Teesside, he is also the author of numerous publications on the relevant subjects of ethics, conflict of interest, fraud and corruption. He has worked with a number of bodies involved with ethics and public office – both in the UK and overseas – including the Council of Europe.

Paul Gott



Paul, who joined the Board in February 2006, is a barrister and a member of Fountain Court Chambers and brings notable legal expertise to complement our mix of skills. He was appointed as junior counsel to the Crown in 1999 and appointed to the Treasury Counsel 'A' Panel in 2005. He practises in commercial and employment law, with employment law specialisations in the areas of strike action, discrimination and equal pay on which he regularly advises government departments and private clients. Commercial law specialisations include civil fraud, banking and accountants' negligence.

Elizabeth Hall



Elizabeth joined the Board in February 2006 and contributes important knowledge of the current regulatory regime. She has worked for the past ten years in the Financial Services Authority – the single regulator for the financial services industry – where she was mainly involved with consumer protection, complaints, and financial capability. She was appointed to London Travelwatch last year and is a member of the Queen Mary University of London Research Ethics Committee and of the London Borough of Tower Hamlets Schools Forum. Elizabeth has several lay responsibilities in the Church of England, including chair of the Tower Hamlets Synod and an examining chaplain for the Stepney area.

Margaret Pratt



Margaret's government credentials encompass regulation of professional conduct and management consultancy, both key in helping us to fulfil our aims of fairness and thoroughness. She is a Non-Executive Director of the Mental Health Committee of the South Warwickshire Primary Care Trust and also sits on the organisation's assurance and audit committees. A current Governor of the University of Northampton, she is Vice-Chair of the university's Audit Committee and is on its Equality and Diversity Committee. Margaret has worked as director of finance in health authorities and trusts and was also President Governor of the Chartered Institute of Public Finance and Accountancy, where she was involved with developing self-regulation in accountancy.

Paul Sabapathy CBE



Paul's wide experience of governance, including service as an independent member, gives him a valuable insight into the needs of some of our most important stakeholders. Currently Pro-Chancellor and Chair of the University of Central England, he is also Deputy Chair of the Committee of University Chairmen and serves on the Leadership, Governance and Management Committee for the Higher Education Funding Council. After holding senior management positions at the multinational engineering company IMI plc, he was appointed Chief Executive of North Birmingham Community Trust and currently serves as Chairman of Eastern Birmingham Primary Care Trust and as a Non-Executive Director of the National Blood Authority. Until recently he served as an independent member of the Standards Committee of Birmingham City Council. He was awarded the OBE in 1995 for his contribution to urban regeneration, and the CBE in 2004 for services to education and business in the West Midlands. He is a member of the Chartered Institute of Management Accountants.

Judy Simons



Judy, who joined the Board in February 2006, is Professor of English and Pro Vice Chancellor at De Montfort University, where she has responsibility for Quality and Standards and chairs the University Human Research Ethics Committee. A Board member of the Higher Education Academy and Chair of Council, she is also on the Strategic Committee for Leadership, Governance and Management at the Higher Education Funding Council for England. She has chaired a number of national academic bodies, including the Council of University Deans of Arts and Humanities, has published widely on literary studies and is a Fellow of the Royal Society of Arts and a Fellow of the English Association.

Roger Taylor



Roger's understanding of local government, his extensive knowledge of the sector both as a lawyer and a top executive, and his experience of working within the private sector on local government issues support our work in many ways. He was Chief Executive of Manchester City Council from 1984 to 1988 and Chief Executive of Birmingham City Council from 1988 to 1994. After this, he joined public sector management consultants Newchurch and Company before establishing Pinnacle Consulting – a subsidiary of the Pinnacle Public Service Group. He is an Honorary Fellow of the Institute of Local Government Studies.

contacts

For more information on
the Standards Board for England,
please go to

www.standardsboard.co.uk

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