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## Report of the Assistant Chief Executive (Corporate Governance)

### Standards Committee

Date: 13<sup>th</sup> February 2008

Subject: Case Summary – SBE 18979.07

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#### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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### Executive Summary

1. The purpose of this report is to notify Members of the Committee of a case summary regarding a Leeds City Councillor which was published on the Standards Board for England website on Monday 14<sup>th</sup> January 2008.
2. It was alleged that the Member improperly secured an advantage or disadvantage, failed to withdraw from a meeting in which they had a prejudicial interest and failed to register a gift or hospitality. The matter was investigated by an Ethical Standards Officer who found no evidence of any failure to comply with the Code of Conduct.
3. Members of the Committee are asked to note the contents of this report.

## **1.0 Purpose Of This Report**

- 1.1 The purpose of this report is to notify Members of the Committee of a case summary regarding a Leeds City Councillor which was published on the Standards Board for England website on Monday 14<sup>th</sup> January 2008.

## **2.0 Background Information**

- 2.1 Whilst investigating a separate matter, it came to the attention of the Ethical Standards Officer that the Councillor might have breached the Code of Conduct by his involvement in the development of Abbey and St Ann's Mills (Kirkstall Mills), and his meeting with a company which might have wished to be involved in the development.
- 2.2 It was alleged that the Councillor had improperly secured an advantage or disadvantage, failed to withdraw from a meeting in which they had a prejudicial interest and failed to register a gift or hospitality, contrary to paragraphs 5(a), 9, 12 and 17 of the Code of Conduct.
- 2.3 The matter was therefore referred for investigation on 19<sup>th</sup> June 2007, and the investigation was completed on 18<sup>th</sup> December 2007.

## **3.0 Main Issues**

The following paragraphs are the conclusions of the Ethical Standards Officer who conducted the investigation on behalf of the Standards Board for England.

- 3.1 Until his retirement in March 2007, the Councillor was a division manager for a carpet supplier, from which Company X had bought carpets in the past.
- 3.2 On 15<sup>th</sup> December 2004, the Council's Executive Board considered the future of the Kirkstall Mills site. The Council's Executive Board agreed that the Council would keep St Ann's Mill and seek expressions of interest in a potential, undefined partnership to develop it, but that they would dispose of the Abbey Mills site.
- 3.3 On 11<sup>th</sup> March 2005 the Councillor and a senior council officer while attending a property conference in Cannes, had lunch with representatives of Company X on a yacht. The Kirkstall Mills site was not discussed and the Councillor included the lunch in his register of gifts and hospitality.
- 3.4 With support from the Councillor, Leeds City Council's chief asset manager drafted and submitted a grant application for the funding of the Kirkstall Mills development at the end of the financial year 2005/06.
- 3.5 Officers from the Council's development team met with companies including Company X to market-test the feasibility of selling or developing any part of the Kirkstall Mills site. The Councillor was not involved in these meetings.
- 3.6 When the Council's Executive Board discussed how to proceed with the site in July 2006, the Councillor declared a personal and prejudicial interest and withdrew from the room.
- 3.7 The Ethical Standards Officer concluded that the Councillor does not have a registrable interest in relation to Kirkstall Mills. While Company X was a potential buyer of the Mills, and had been a client of the Councillor's employer, the Executive

Board's discussions were too remote from the issue of any potential purchase or contract regarding the site to be capable of affecting the Councillor's well-being or financial position. The Ethical Standards Officer concluded that the Councillor did not have a personal or prejudicial interest in the matter and could not therefore have breached the Code of Conduct.

- 3.8 The Ethical Standards Officer therefore found no evidence of any failure to comply with the Code of Conduct. The case summary will remain on the Standards Board website for six months after the case closed.

#### **4.0 Implications For Council Policy And Governance**

- 4.1 The Ethical Standards Officer investigating the case noted that the Councillor had registered the hospitality received from Company X correctly, and that the Councillor had not been involved inappropriately with officer meetings to market test the feasibility of selling Kirkstall Mills.

#### **5.0 Legal And Resource Implications**

- 5.1 There are no legal or resource implications to this report.

#### **6.0 Conclusions**

- 6.1 The Ethical Standards Officer found that there was no evidence of any failure to comply with the Code of Conduct in this case. The case summary will remain on the Standards Board website for six months after the case was closed.

#### **7.0 Recommendations**

- 7.1 Members of the Committee are asked to note the contents of this report and the lessons learnt from the case.