

## Local Government Chronicle “Standards and Ethics” Award Entry

### Executive Summary

Our principal achievements are:

- **Ethical Audit Action Plan.** The Committee has monitored this plan since its approval in April 2007, and has added new objectives to address the results of the Ethical Audit 2007.
- **The Ethical Audit 2007.** The Committee has completed an ethical audit for junior staff and has analysed the results.
- **Local Assessment process.** The Committee has prepared for and undertaken its role in relation to the initial assessment of complaints.
- **Training for Members.** The Committee has developed and monitored the training provided on the Code of Conduct and the new assessment process for both Leeds City Council and Parish Council Members.
- **Members’ Interests identification system.** Officers now review agenda items against the Register of Interests to identify any potential interests which may arise during the meeting. Members are advised of any interests prior to the meeting and advised on the appropriate course of action.
- **The Use of Resources Score** from the CPA 2007. The Committee’s work during this period has contributed to the overall score of 3 in the Use of Resources section of the CPA, and procedures relating to conduct and behaviour have been identified as examples of good practice by the Audit Commission.

### Main Entry

#### **Standards and Ethics and the Council’s overall priorities.**

The Council Business Plan states that the Council is a values led organisation. The communications plan for Council Values refers to the ethical framework.

Corporate induction materials refer to the Officers Code of Conduct, Whistleblowing and the Ethical Framework. New leadership standards were launched in September 2008 and will be applied during the appraisal process for Senior Managers. An integral part of these are managers’ relationships with Members and their responsibility to ensure their staff and services adhere to these standards. The Council also adopted a model of “Aspirational Culture” in September 2008. An integral part of this is good ethical behaviour (see attached diagram).

The Council’s Code of Corporate Governance has six principles, including good conduct and behaviour. The Committee supports this through work on the Members’ Code of Conduct, maintaining an overview of the Officer Code of Conduct, and reviewing the local Codes and Protocols.

The work of the Committee is detailed in the Corporate Governance Statement which is approved by the Corporate Governance and Audit Committee, and the Standards

Committee's Annual Report which is reported to full Council. The Statement reported that there are robust arrangements in place for the recording and monitoring of Members' interests and declaring these interests. Members are trained on the content of the Code and their responsibilities. The Head of Governance Services reported that these arrangements were operating correctly and were fit for purpose. The 2007 corporate assessment concluded **“there are sound arrangements for ethical governance with an active standards committee which is promoting greater awareness of standards issues”**.

The Standards Committee meets every other month and always has a full agenda. The Committee has a forward work programme which Committee Members are invited to update at each meeting, and which is kept under review by officers with reference to national developments. The Independent and Parish Members of the Committee receive special responsibility allowances which were increased in September 2008 to reflect their responsibilities in assessing complaints. The Chair receives an allowance of £6929.

### **Issue 1: Member Conduct**

The Committee review the decisions of the Adjudication Panel for England, and considers any lessons the Council could learn.

Since July 2007, 3 complaints have been referred for investigation by the Standards Board, one of which is on-going. The Committee has not conducted any local hearings, but has considered two investigation reports and accepted the finding of no breach. Up to 8<sup>th</sup> May 2008, out of 99 Councillors, no Councillor has been found, by the Adjudication Panel of England, to have breached the Members' Code.

The Committee reassures itself, through annual reports, that the Members' Register of Interests is reviewed and updated regularly and the rules regarding interests/ gifts and hospitality are observed.

Officers review agenda items against the Members' Register of Interests to identify any potential interests which may arise during a meeting. Members are informed about these before the meeting and advised what to do.

In October 2007, officers reviewed the Register of Gifts since 2001. This report identified:

- who had provided the most gifts to Members;
- trends in the positions of the Members who have received gifts; and
- any links with decisions which impact the donor.

The Committee noted no adverse trends arising from this information.

Throughout the year, the Committee reviewed the following Codes, Protocols and Procedure Rules to ensure compliance and fitness for purpose:

- Standards Committee Procedure Rules (Hearings);
- Protocol on Member/Officer Relations;
- Code of Practice for the Determination of Planning Matters;
- Code of Practice for Determining Licensing Matters; and
- Monitoring Officer Protocol.

Further guidance was added to the Protocol on Member/Officer Relations about bullying and involvement in commercial transactions.

The Committee consulted with Members about additional local provisions to be added to the Code. As a result of this consultation the Committee decided not to amend the Code.

A programme of training on the Members' Code has been delivered to Members, Parish Councillors and relevant officers throughout the year. All Leeds City Council Members and 111 Parish Councillors have received training or training materials on the Code .

Ethical training is provided to Members during their induction. Members have access to training in formats suitable for their needs. A key innovation has been an e-learning module on the Members' Code. This has been updated in line with the new Code and was well received by Members.

The Committee has monitored the training provided to Parish Councils to ensure that it is appropriate and meets their needs. All Parish Members and Co-opted Members of the Council have been provided with access to a new online training system from the IDeA, called 'Modern Councillor'. The Committee has also helped secure training for Parish Councillors from the Council and external bodies and identified a budget for Parish Councils to access this training.

The Parish Council Liaison Forum and officers organised the first Parish Council Conference on 10<sup>th</sup> April 2008. Members of the Committee attended the conference to:

- introduce themselves;
- explain the role of the Committee; and
- assist officers with briefing delegates on the Code.

An e-learning module on the Code specifically for Parish Councillors was launched at the conference.

The Council produces a newsletter on ethical and corporate governance issues. This is sent to all Councillors, Directors, Chief Officers, and other relevant officers. It details the work of the Council's governance Committees, and provides accessible guidance on a key area within corporate governance in each issue. "Governance Matters" is produced on a bi-monthly basis and receives good feedback.

## **Issue 2: Employee Conduct**

The Committee monitors compliance with the Officer Code of Conduct, particularly registering interests and offers of gifts, through reports from the Chief Officer (Human Resources), the most recent of which was in December 2007. The Committee also suggested that an amended version of the officer register (with the third party information removed) for certain senior officers should be a public document, and in January 2008 requested Communities and Local Government consider this as an option when drafting the new national officer code.

In April 2008 responsibility for the collection and recording of Employee Interests was transferred to the Business Support Centre (BSC). BSC is reviewing current processes and developing a consistent register of interests system together with a monitoring process.

Internal Audit has reviewed and revised the Whistleblowing Policy during 2008 in accordance with best practice including an effective communication plan.

## **Issue 3: Ethical Audits**

The Committee approved the action plan in relation to the results of the Ethical Audit in July 2007, and has monitored the Council's progress. It received individual reports on actions within its terms of reference, and update reports on the other actions, the most recent being received in March 2008.

In October 2007, the Committee conducted an ethical audit amongst officers below SO2 to supplement the findings of the previous audit conducted with the Audit Commission, and assess how less senior officers view the ethical framework within Leeds.

The Committee considered the outcomes of the survey in April 2008 and will combine any actions necessary with the previous action plan in October 2008. The Council will then deliver and monitor a set of actions to address the findings of the Ethical Audit 2007, and embed the actions arising from the previous ethical audit.

In November 2007, the Committee asked each Parish Clerk to complete a questionnaire which asked about their register of interests, how interests are declared and recorded, and what training the Parish Councillors had received on the Code. The results showed that Parishes would like further training on the Code and that more guidance is needed for some Parishes. The results of the audit have been used to create a balanced scorecard which measure the performance of each Parish Council, and how well they are complying with their statutory obligations. The Committee will consider the results of the scorecard and what actions to take in October 2008.

The Committee ensured it was aware of the requirements of the Use of Resources Key Lines of Enquiry by receiving a report on the subject in December 2007. The Committee also considered how to adapt its approach to meet requirements under the new Comprehensive Area Assessment.

The Council received a score of 3 for its Use of Resources in 2007. The Audit Commission judged that the Council is performing well and has identified examples of good practice that contributed to the Council maintaining its high score. It specifically noted the audit of ethical standards, and that ethics training has been provided to all Members.

#### **Issue 4: Complaints**

The Committee took part in the Standards Board's pilot of the local assessment arrangements in July 2007. Since then the Committee has remained up to date on changes to the process by receiving regular reports. The Committee approved the arrangements for dealing with complaints on 1<sup>st</sup> July 2008.

The Committee has ensured that it will provide good customer service throughout the process by:

- setting shorter targets than the statutory timescales for considering review requests;
- choosing to tell the subject member that a complaint has been made; and
- providing a helpline number for complainants.

The Committee has made it easy for people to complain by advertising the process in newspapers, Citizen's Advice Bureaux and placing notices in all Council buildings. An online complaints form has also been developed.

The Committee has ensured that all Members understand the process by issuing a briefing note, which gives an overview of the process and what to expect.

During 2008-09, the Council will develop and embed the new arrangements for receiving complaints of misconduct, starting with a three monthly review of the current process to which all stakeholders will be invited to contribute.

### **Issue 5: Relationships**

The Committee maintains a close relationship with the Corporate Governance and Audit Committee (CGA) to maintain an overview of governance issues within the Council. The Chair is a co-opted member of CGA. The two Committees receive each others minutes for information, and the Committee submits six monthly progress reports to CGA for consideration.

The Committee receives the support of the Leader and Chief Executive, and the Chair keeps the Leader up to date on ethical issues through quarterly meetings.

The Council is taking part in a project by Cardiff University with the Standards Board to assess the impact and effectiveness of the ethical framework in Councils. This will use public surveys and focus groups to explore any impacts of local standards frameworks on public trust in local government.

The Committee responded to the Communities and Local Government's consultation on the new Members' Code of Conduct in February 2008.

The Council maintains good relationships with external bodies such as the Standards Board. The Chair was a member of the steering group for the Annual Assembly in both 2007 and 2008. In October 2007 the Chair gave a presentation called "The State of Independence", which was one of the most successful presentations at the Assembly, receiving 98% 'good' or 'very good' feedback. The Monitoring Officer recently acted as a mentor to a Ethical Standards Officer at the Standards Board.

Officers have provided feedback to the Standards Board on various aspects of their work during the year, including the model code of conduct for Parish Councils, the guidance on investigations published on their website, and the local assessment monitoring database. This feedback has caused the Standards Board to revise their approach on each occasion.

The Chair is a member of the Association of Independent Members of Standards Committee in England, and was reappointed as a Director without Portfolio at their Annual Meeting 2008. The Association provides support to independent members in carrying out their responsibilities, and is a forum for exchanging views with other organisations. The Independent Members of the Committee are also members of the local Independent Members Forum.