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**ETHICAL GOVERNANCE AND MEMBER STANDARDS – UPDATE REPORT**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To update members on issues relevant to Member Standards and ethical governance.

**Summary**

2. The report gives update information about issues relevant to member standards since matters were reported to the Standards Committee earlier this year.
3. Set out in the report are a number of datasets of ethical indicators to assist in monitoring the ethical health of the Council. By reviewing the indicators set out below it is hoped to be able to identify any unusual or significant changes in the volume of data recorded for the relevant period that might provide an alert to any deterioration in the ethical health of the authority.
4. There are no particular issues of concern that have been identified

**Recommendation**

5. Members are asked to note the information presented and to comment as appropriate

**Reason**

6. By having information of this nature it is believed that the Audit Committee will be able to get a better picture of the ethical health of the authority.

**Paul Wildsmith  
Director of Neighbourhood Services and Resources**

**Background Papers**

None

Luke Swinhoe: Extension 2055

S17 Crime and Disorder	There are no specific issues which relate to crime and disorder.
Health and Well Being	There is no specific health and well being impact.
Carbon Impact	There is no specific carbon impact.
Diversity	There is no specific diversity impact.
Wards Affected	All wards are affected equally.
Groups Affected	All groups are affected equally.
Budget and Policy Framework	This report does not affect the budget or policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	There is no specific relevance to the strategy beyond a reflection on the Council's ethical governance arrangements.
Efficiency	There is no specific efficiency impact.

## MAIN REPORT

### Overview

7. On the 20 March 2014 Council considered a report about a review of member standards and agreed a number of changes including:
  - (a) To agree changes to the Council's procedural arrangements for dealing with complaints against Members with effect from 1 May 2014.
  - (b) To discontinue the Standards Committee from 30 April 2014
  - (c) To constitute a new Committee, known as the 'Member Standards Hearing Committee' from 1 May 2014, with the function of hearing complaints against members referred to it by the Monitoring Officer.
  - (d) That the Audit Committee is given additional responsibility for ethical values as part of its remit and that a review of member conduct is reported to Council annually.
8. This report gives an update on the new arrangements and observations about how they are working.
9. More general Information is also provided on matters relating to member standards and ethical governance to help in giving Members of this Committee information on the ethical health of the authority.

### The new Arrangements

10. The new arrangements are still relatively new and it is recognised at this stage that it is still fairly early in the evolutionary process. This said there has not been any identifiable issue or concern that has been apparent. The complaints handling aspect is working well. When a complaint is received about a member it is

forwarded to the 'Independent Person' so that her comments can be taken into account by the Monitoring Officer in considering how the complaint should be dealt with. Communications between the Independent Person and the Monitoring Officer have generally been by email. The main difference of the new procedure compared to the former is that it is much faster as the inevitable bureaucracy associated with convening an assessment panel is avoided.

11. Since April 2014 three complaints have been received that have been processed under the new arrangements. Of those complaints one is still pending and the other two were dealt with as no breaches, with one of those the Member was given some advice about responding to an issue raised by a constituent.
12. The Head of Legal Services has met with members of the Audit Committee to provide training on member standards and to discuss how the ethical agenda could be taken forward by the Committee. It was agreed that a report will be taken to the Audit Committee twice a year to provide Members with information.
13. In November an event specifically aimed to provide training and informal discussions for Independent Persons was hosted by Stockton Borough Council; the Head of Legal Services attended (our Independent Person was unable to attend because of other commitments).

### Complaints Update

14. One of the matters that was previously reported on to the Standards Committee was data on complaints received by the Council against members.
15. The table below shows a summary of the volume of complaints and the category of member complained about.

Year	Complaints (Total)	Parish Councillor	Borough Councillor	Borough Councillor	
				Executive	Non Executive
2002/3	4	0	4	0	4
2003/4	8	0	8	4	4
2004/5	0	0	0	0	0
2005/6	3	0	3	3	0
2006/7	1	0	1	1	0
2007/8	13	10	3	3	0
2008/9	15	8	7	4	3
2009/10	10	3	7	0	7
2010/11	4	1	3	1	2
2011/12	9	0	9	3	6
2012/13	2	1	1	0	1
2013/14	10	5	5	1	4

16. The average annual number of complaints in the period from when the ethical framework was introduced by the Local Government Act 2000 and the commencement of local assessment (May 2002 – April 2008) has been about 5 per year (4.8).
17. The average annual number of complaints in the period from when the local assessment of complaints was introduced (May 2008) until March 2014 has been about 8.3 per year.
18. Interpreting the information needs to be approached with some caution. In 2008 to 2009 a significant factor was a large number of complaints emanating from one parish council which has impacted on the yearly figures for that period and also the average numbers of complaints received. There were particular local circumstances that accounted for the rise.
19. Over the period from 2002/3 to 2013/14 there have been 28 complaints made in respect of Parish Councillors and for the same period 51 complaints relating to Borough Councillors. The fact that there are more complaints in respect of Borough Council members is perhaps unsurprising given the types of decisions they are involved in making and the more prominent role that they play compared to parish councillors.
20. Although there are obvious differences in the years, and with the exception of 2008 and 2009 (which is explained above) there is nothing of particular concern that is highlighted by figures.
21. Considering the categories of complaint that have been received in the period since 2002. From the table below what emerges is that a significant number of complaints are about the way that members treat other people and that, in fact, complaints over interests are less common.

Categories of complaint (where identifiable)	May 2002 – March 2014
Failure to treat with respect	24
Disrepute (bringing office or authority into).	13
Used position to advantage/disadvantage others.	11
Failure to declare interest	12
Disclosure of Confidential Information.	6
Bullying and intimidation	16
Use of resources	3
Compromising impartiality of officers	1

## Ethical Indicators

22. Set out below (in conjunction with details about the complaints made against members) are a number of datasets of ethical indicators to assist in monitoring the ethical health of the Council. By reviewing the indicators set out below it is hoped to

be able to identify any unusual or significant changes in the volume of data recorded for the relevant period that might provide an alert to any deterioration in the ethical health of the authority.

23. Any unusual changes in volumes are highlighted with a star (\*) and the explanation given.

### **Number of Whistleblowing Incidents reported**

<b>Year</b>	<b>Quarter 1 January – March</b>	<b>Quarter 2 April – June</b>	<b>Quarter 3 July – September</b>	<b>Quarter 4 October – December</b>	<b>Total Jan – December</b>
<b>2005</b>	0	0	0	0	0
<b>2006</b>	0	0	0	0	0
<b>2007</b>	0	1	0	1	2
<b>2008*</b>	1	1	4	0	6
<b>2009</b>	2	1	1	0	4
<b>2010</b>	1	2	5	2	10**
<b>2011</b>	2	1	2	2	7
<b>2012</b>	2	2	1	5	10
<b>2013</b>	1	1	5	4	11
<b>2014</b>	1	3	3	-	-

\* Note – publicity campaign launched and Fraud Hotline set up.

\*\*Note- this is an increase over previous years. The explanation may have to do with the, increasing awareness of how to report concerns and the current financial climate.

### **Number of challenges to procurements**

<b>Year</b>	<b>Quarter 1 January – March</b>	<b>Quarter 2 April – June</b>	<b>Quarter 3 July – September</b>	<b>Quarter 4 October – December</b>	<b>Total Jan – December</b>
<b>2005</b>	0	0	0	0	0
<b>2006</b>	0	0	0	1	1
<b>2007</b>	0	0	0	2	2
<b>2008</b>	1	0	0	0	1
<b>2009</b>	0	2	0	0	2
<b>2010</b>	1	0	0	0	1
<b>2011</b>	0	0	0	0	0
<b>2012</b>	0	0	0	0	0
<b>2013</b>	0	1	0	0	1
<b>2014</b>	0	0	0	-	-

## Audit Commission Public Interest Reports

<b>Year</b>	<b>Quarter 1 January – March</b>	<b>Quarter 2 April – June</b>	<b>Quarter 3 July – September</b>	<b>Quarter 4 October – December</b>	<b>Total Jan – December</b>
<b>2005</b>	0	0	0	0	0
<b>2006</b>	0	0	0	0	0
<b>2007</b>	0	0	0	0	0
<b>2008</b>	0	0	0	0	0
<b>2009</b>	0	0	0	0	0
<b>2010</b>	0	0	0	0	0
<b>2011</b>	0	0	0	0	0
<b>2012</b>	0	0	0	0	0
<b>2013</b>	0	0	0	0	0
<b>2014</b>	0	0	0	0	0

## Objections to the Council's Accounts

<b>Year</b>	<b>Quarter 1 January – March</b>	<b>Quarter 2 April – June</b>	<b>Quarter 3 July – September</b>	<b>Quarter 4 October – December</b>	<b>Total Jan – December</b>
<b>2005</b>	0	0	1	0	1
<b>2006</b>	0	0	1	0	1
<b>2007</b>	0	0	0	0	0
<b>2008</b>	0	0	0	0	0
<b>2009</b>	0	0	0	0	0
<b>2010</b>	0	0	0	0	0
<b>2011</b>	0	0	0	0	0
<b>2012</b>	0	0	0	0	0
<b>2013</b>	0	0	0	0	0
<b>2014</b>	0	0	0	0	0

## Disciplinary action relating to breaches of the Member/Officer Protocol

<b>Year</b>	<b>Quarter 1 January – March</b>	<b>Quarter 2 April – June</b>	<b>Quarter 3 July – September</b>	<b>Quarter 4 October – December</b>	<b>Total Jan – December</b>
<b>2005</b>	0	0	0	0	0
<b>2006</b>	0	0	0	0	0
<b>2007</b>	0	0	0	0	0
<b>2008</b>	0	0	0	0	0
<b>2009</b>	0	0	0	0	0
<b>2010</b>	0	0	0	0	0
<b>2011</b>	0	0	0	0	0
<b>2012</b>	0	0	0	0	0
<b>2013</b>	0	0	2	0	2
<b>2014</b>	0	0	0	-	-

### Disciplinary action relating to fraud

Year	Quarter 1 January – March	Quarter 2 April – June	Quarter 3 July – September	Quarter 4 October – December	Total Jan – December
2005	0	0	0	0	0
2006	0	0	0	0	0
2007	0	0	0	1	1
2008	0	0	2	0	2
2009	0	1	2	0	3
2010	0	0	0	1	1
2011	0	1	0	1	2
2012	0	0	0	0	0
2013	0	0	3	0	3
2014	0	0	1	-	-

### Industrial Action taken or notified

Year	Quarter 1 January – March	Quarter 2 April – June	Quarter 3 July – September	Quarter 4 October – December	Total Jan – December
2005	1	0	0	0	1
2006	1	0	0	0	1
2007	0	0	0	0	0
2008	0	0	2	0	2
2009	0	0	0	0	0
2010	0	0	0	0	0
2011	0	1	0	0	1
2012	0	0	0	0	0
2013	0	0	0	1	1
2014	0	0	1	1	2

### Number of Employment Tribunals received (General – Excluding Equal Pay)

Year	Quarter 1 January – March	Quarter 2 April – June	Quarter 3 July – September	Quarter 4 October – December	Total Jan – December
2005	0	0	2	7	9
2006	2	0	2	0	4
2007	2	21*	0	0	23
2008	0	2	0	5	7
2009	1	1	2	2	6
2010	3	0	1	0	4
2011	0	0	4	1	5
2012	0	2	0	1	3
2013	0	2	1	0	3
2014	0	0	0	0	0

\* Group litigation against all 5 Tees Valley Authorities

## Number of Employment Tribunals received (Equal Pay Claims)

Year	Quarter 1 January – March	Quarter 2 April – June	Quarter 3 July – September	Quarter 4 October – December	Total Jan – December
2005	37	4	12	0	53
2006	7	10	12	11	40
2007	48	24	24	0	96
2008	0	22	0	0	22
2009	1	0	0	21	22
2010	0	0	0	6	6
2011	0	0	0	0	0
2012	0	0	0	0	0
2013	0	0	0	0	0
2014	0	0	0	0	0

## Corporate Complaints

### Overview details

Financial year	Total Complaints received
2009/10	532
2010/11	330*
2011/12	429**
2012/13	383***
2013/14	672****

\* The reduction in the number of complaints received is, in part, attributed to the organisational learning resulting from complaints being handled effectively and in line with the procedure. This has resulted in a reduction in individuals having to contact the Council regarding the same issue(s).

\*\* The increase in the number of complaints received was anticipated in light of the increased pressure on Council services in the current financial climate.

\*\*\*While there was a decrease in the number of complaints received compared to the previous year the Council still received more complaints than it did in 2010/11.

\*\*\*\* This increase in complaints can be attributed primarily to problems people experienced with their refuse collection, following the introduction in wheeled bins.

## Complaints by Department

	2009/10	2010/11
Chief Executives	89	38
Children's Services	19	9
Community Services	368	229
Corporate Services	56	54

	2011/12	2012/13	2013/14
Services for People	93	13	20
Services for Place	317	346	597
Resources Group	18	23	55
Non Council Service	1	1	0

## Ombudsman Complaints

### Overview details

Financial year	Total complaints determined by The Local Government Ombudsman
2008/09	27
2009/10	21
2010/11	28
2011/12	23
2012/13	21
2013/14	12

## Ombudsman Complaint Outcomes

Outcome Category	2007/08	2008/09	2009/10	2010/11
Maladministration and injustice report	0	1	0	0
Local Settlement	4	11	7	7
Maladministration report	0	0	0	0
No Maladministration Report	0	0	0	0
No Maladministration without Report	17	6	8	12
Ombudsman's Discretion	8	5	3	5
Outside Jurisdiction	1	4	3	4

<b>Outcome Category</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
<b><i>Not Investigated</i></b>			
No power to investigate	3	0	0
No reason to use exceptional power to investigate	3	0	0
Investigation not justified & Other	5	0	0
<b><i>Investigated</i></b>			
Not enough evidence of fault	5	0	0
No or minor injustice & Other	5	0	0
Injustice remedied during enquiries	2	0	0
Investigation complete and satisfied with authority actions or proposed actions and not appropriate to issue report			4
Maladministration Causing Injustice			1
<b><i>Not Initiated</i></b>			
Not to Initiate an Investigation	0	13	3
Not in Jurisdiction & Discretion Not Exercised	0	1	1
To Discontinue Investigation	0	7	3
<b><i>Report</i></b>	0	0	0
<b>Total</b>	<b>23</b>	<b>21</b>	<b>12</b>

## **Information Requests**

### **Overview details**

<b>Financial year</b>	<b>Total Information Requests</b>
<b>2008/09</b>	371
<b>2009/10</b>	531
<b>2010/11</b>	674
<b>2011/12</b>	846
<b>2012/13</b>	891
<b>2013/14</b>	1,220

24. Between 1 April 2013 and 31 March 2014 the Council received 1, 220 requests for information, 1, 073 of which were dealt with under the Freedom of Information Act 2000 (FOI), 101 under the Environmental Information Regulations 2004 (EIR) and 46 under the subject access provisions of the Data Protection Act 1998 (SAR).

25. In terms of the overall volume of requests, Services for Place received the most requests 588, Resources Group received 394 and Services for People received 220. Economic Growth received two requests, Neighbourhood services and Recourses received nine and Services for People received four. There were also three requests for information held by non-Council services, the same number as in 2012/13. Two of these requests concerned pensions.

## **Outcome of Consultation**

26. There has not been any formal consultation on the contents of this report