

AUDIT COMMITTEE
17 APRIL 2019

ETHICAL GOVERNANCE AND MEMBER STANDARDS – UPDATE REPORT

SUMMARY REPORT

Purpose of the Report

1. To update members on issues relevant to member standards and ethical governance.

Summary

2. The report gives members an update of information about issues relevant to member standards since matters were reported to the Committee in October 2018.
3. Also 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 these indicators it is hoped to be able to identify any unusual or significant trends or 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. Commentary is included for some data sets to give analysis and explanation for some of the more notable variations. There are no particular issues of concern that have been identified from reviewing the data.

Recommendation

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

Reason

6. By having information of this nature:
 - (a) Members will be assisted to perform their role.
 - (b) Members will be able to get a better picture of the ethical health of the authority.

Paul Wildsmith
Managing Director

Background Papers

None – save as mentioned in the text
Luke Swinhoe: Extension 5490

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 wellbeing 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.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Update on matters relevant to Ethical Governance and Member Standards

Committee on Standards in Public Life (CSPL)

Review of Local Government Ethical Standards

7. The CSPL has completed the review of Local Government Ethical Standards which was begun in 2018. The report was published on 30 January 2019 and is available from <https://www.gov.uk/government/publications/local-government-ethical-standards-report>

 8. The key recommendations include:
 - An updated model Code of Conduct – to enhance consistency and quality
 - Parish Councils being required to adopt the Code of Conduct of the principal authority
 - Parish Clerks being required to hold an appropriate qualification to support their work on governance
 - Clearer rules on declaring interests, gifts and hospitality
 - Local authorities to retain ownership of their own Codes of Conduct
 - Local authorities to have the discretionary power to establish a standards committee with voting independent members.
 - A new power for local authorities to suspend councillors without allowances for up to six months (providing the Independent Person agrees)– as current sanctions are considered insufficient
 - A right of appeal for suspended councillors to the Local Government Ombudsman
 - Abolishing criminal offences re disclosable pecuniary interests – as viewed as being disproportionate.
 - A strengthened role for the Independent Person
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- Greater transparency about the number and nature of complaints

The Committee did not consider there was a need to re-introduce a central body to act as a strategic regulator for local government standards (Members will recall that the Standards Board for England was abolished in 2013).

9. In launching the report, Lord Evans, Chair of the Committee on Standards in Public Life, said:

“The evidence we received supports the view that the vast majority of councillors and officers maintain high standards of conduct. There is, however, clear evidence of misconduct by some councillors. Most of these cases relate to bullying or harassment, or other disruptive behaviour. There is also evidence of persistent or repeated misconduct by a minority of councillors. “We are also concerned about a risk to standards under the current arrangements, as a result of the current rules around declaring interests, gifts and hospitality, and the increased complexity of local government decision-making.”

“We believe that the benefits of devolved arrangements should be retained, but that more robust safeguards are needed to strengthen a locally determined system. We are also clear that all local authorities need to develop and maintain an organisational culture which is supportive of high ethical standards. A system which is solely punitive is not desirable or effective; but, in an environment with limited external regulation, councils need the appropriate mechanisms in place to address problems when they arise.”

“Our recommendations would enable councillors to be held to account effectively and would enhance the fairness and transparency of the standards process. Introducing a power of suspension and a model code of conduct will enable councillors to be held to account for the most serious or repeated breaches and support officers to address such behaviour, including in parish councils. Strengthening the role of the Independent Person and introducing a right of appeal for suspended councillors will enhance the impartiality and fairness of the process, which is vital to ensure that councillors are protected from malicious or unfounded complaints. And greater transparency on how complaints are assessed and decided in a system which is currently too reliant on internal political party discipline will provide a safeguard against opaque decision-making and provide reassurance to the public.”

10. For the recommendations set out in the report to be adopted, changes will be required to both primary and secondary legislation. At this moment it is unclear if and when this is likely to happen. Members will be kept updated of developments.

Intimidation in Public Life

11. Members will recall that the CSPL reported on their review of the intimidation of Parliamentary candidates. The report was published in December 2017 and the recommendations (which also included a number of recommendations relevant to local government) were set out with background information in the update report to this Committee of 28 March 2018.
12. A news update on the work that has been undertaken by Government to address the recommendations is set out in a letter from Chloe Smith MP, Minister for the
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Constitution, dated 7 March 2019. For further details see
[:https://www.gov.uk/government/publications/intimidation-in-public-life-letter-from-the-minister-for-the-constitution](https://www.gov.uk/government/publications/intimidation-in-public-life-letter-from-the-minister-for-the-constitution)

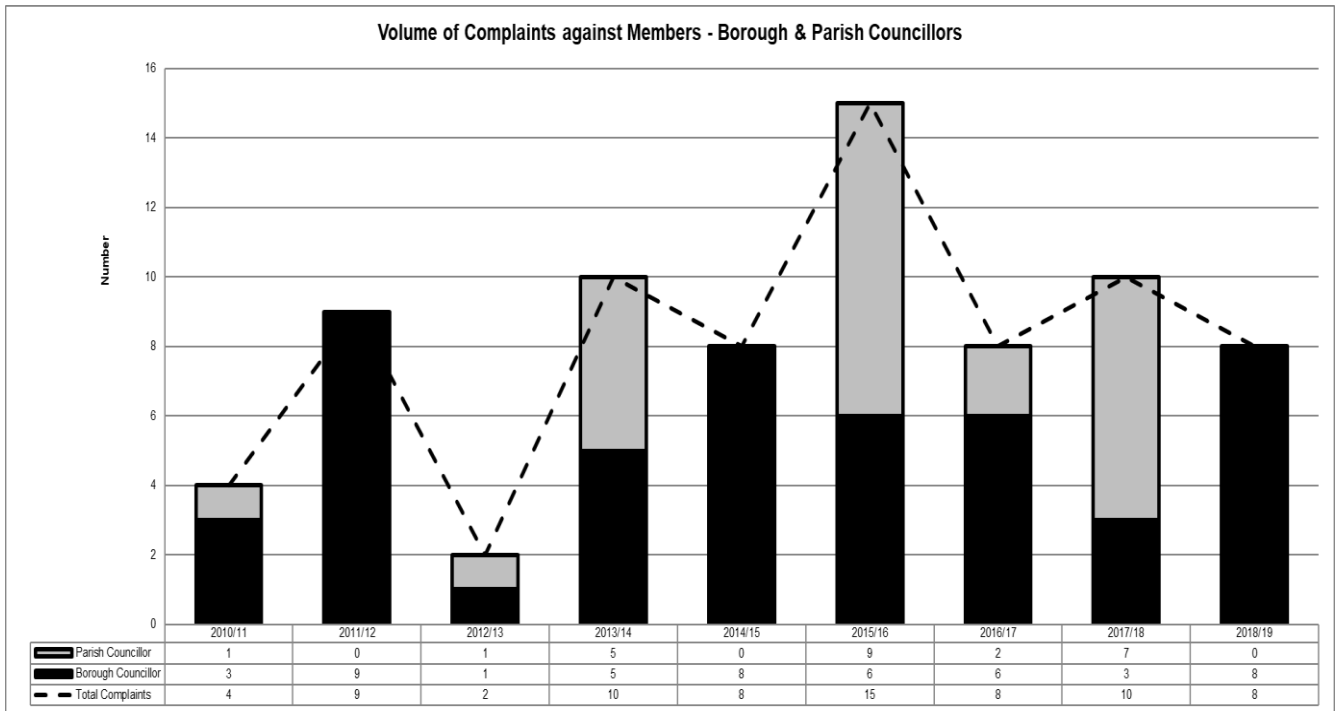
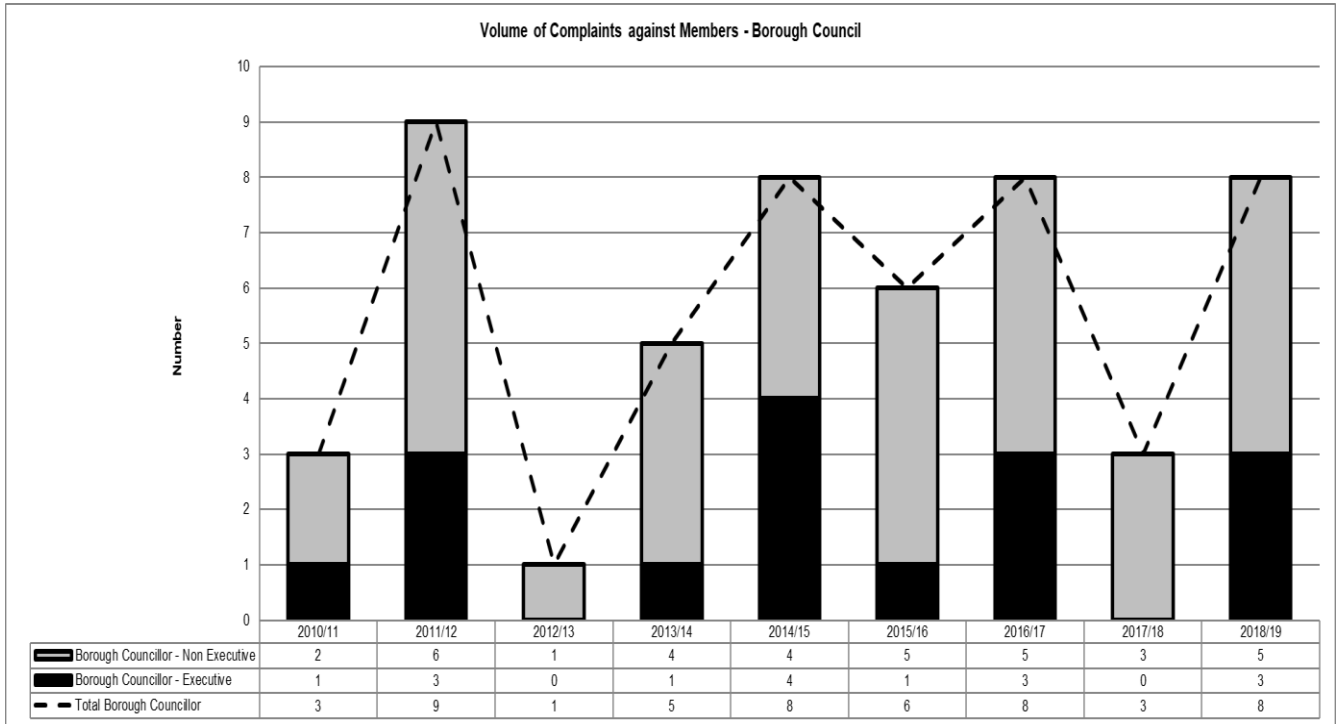
New Members Training

13. Work on a training programme for all Members who come into office following the May elections is underway. All Members will have briefing sessions all major areas of local authority services. There will be specific sessions dealing with the Members Code of Conduct, decision making (including constitutional and procedural issues), corporate parenting as well as specific sessions for members who serve on Planning and Licensing Committees.
14. Induction packs will be given out to all newly elected members at the count and they will be invited to attend the Town Hall shortly after election, to meet Chief Officers and other key staff, and to address specific issues related to taking up office. A members web page is also being devised which will incorporate essential member information, including access to reports, key service information, a calendar of training events.

Ethical Indicators

15. Set out in **Appendix 1** are a range of data sets that it is hoped will to assist in monitoring the ethical health of the Council. By reviewing the indicators it will be possible 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.
 16. Member's observations about this information are invited.
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Member Complaints



Comments

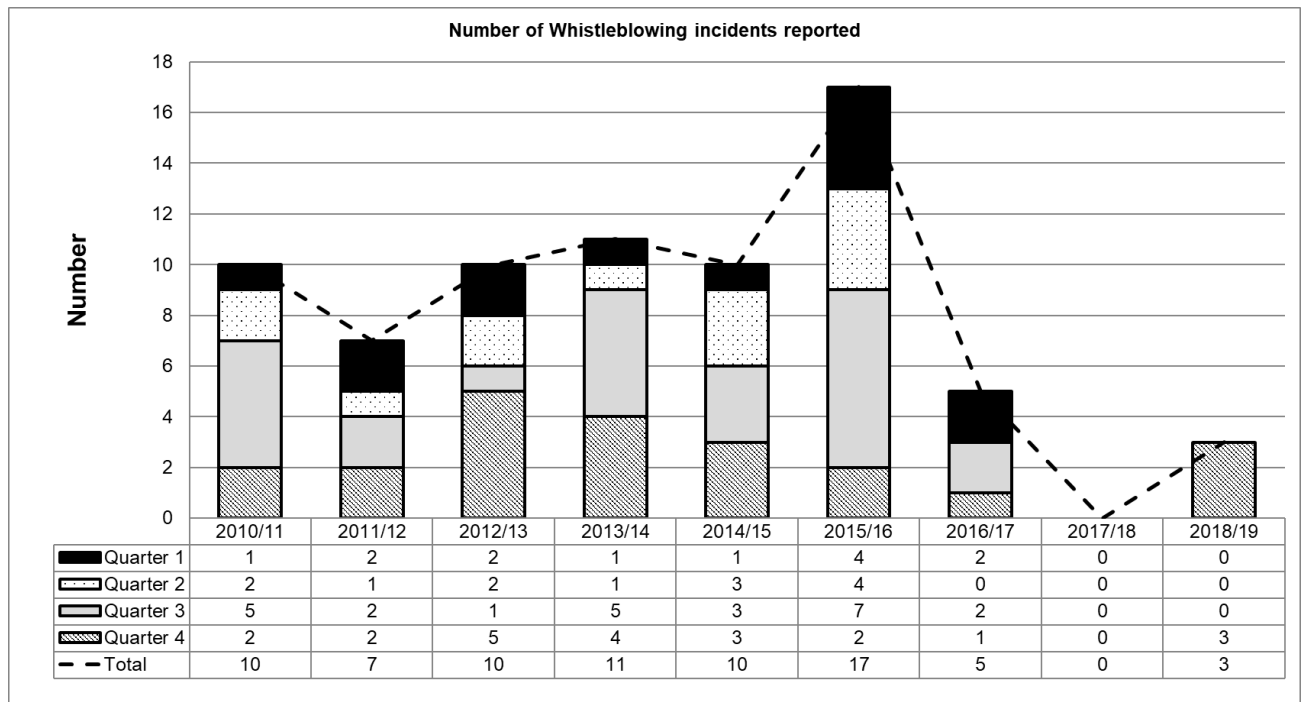
The average number of complaints per year from 2010/11 to 2018/19 is 8.22 per year.

Interpreting the information needs a degree of caution due to low volumes. It is also a factor that in some years spikes in complaints occur due to particular circumstances which account for the rise.

The increase in complaints received for 2015/16, related to one Parish Council alone which accounted for all of the 9 complaints attributed to Parish Councils. This has very significantly impacted on the total complaints received for 2015/16. The number of complaints from 2016/17 on, has been more in line with the overall average.

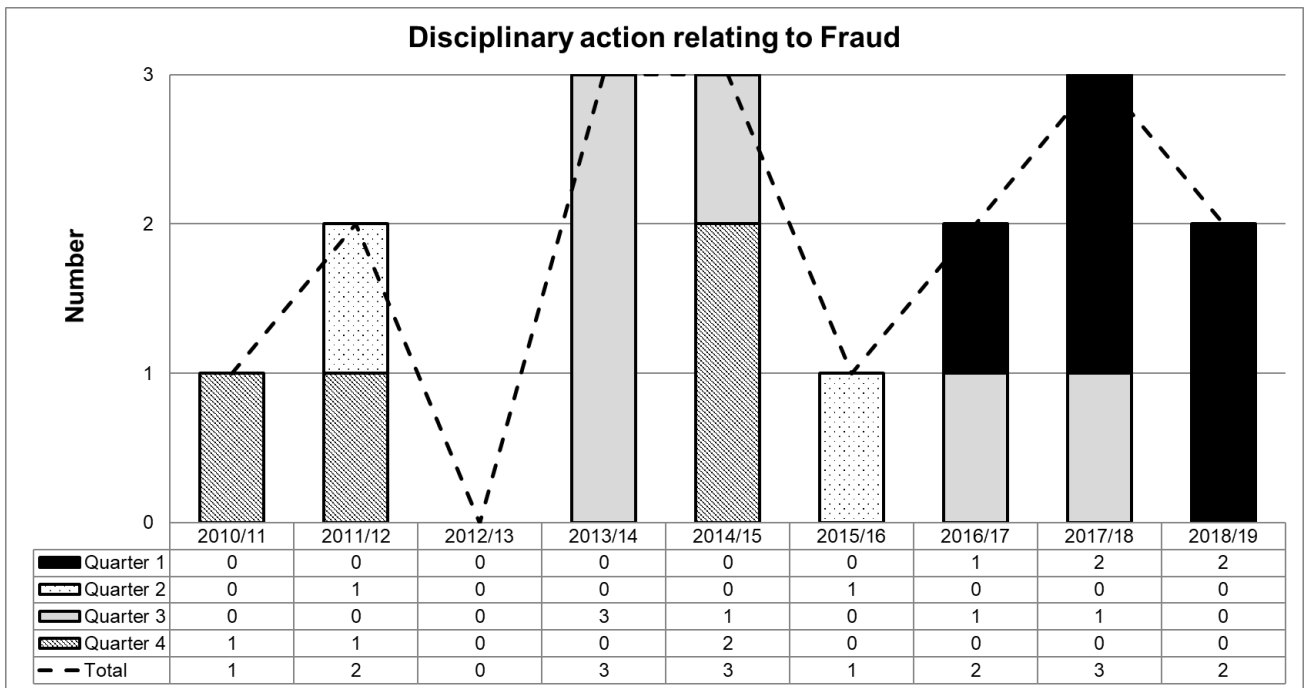
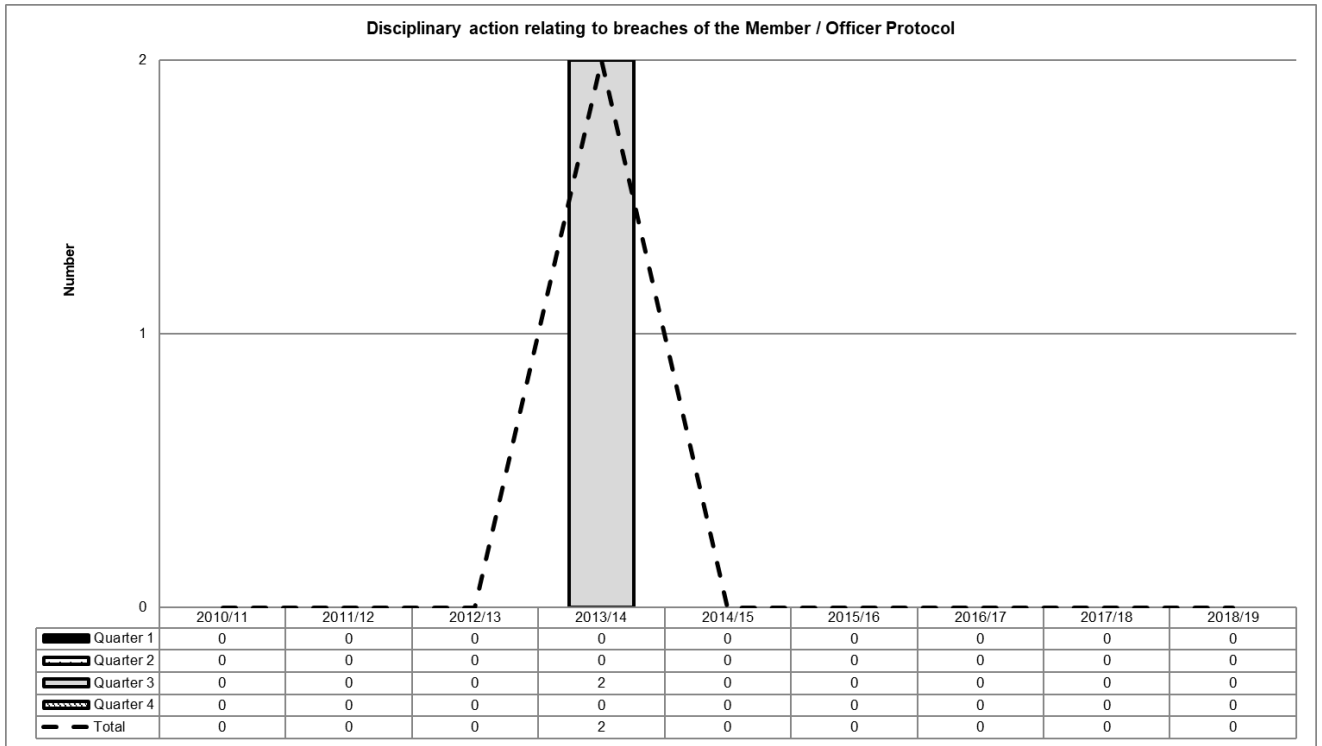
Over the period 2010/11 to 2018/19 there have been 25 complaints made in respect of Parish Councillors and for the same period 49 complaints relating to Borough Councillors. The fact that there are more complaints in respect of Borough Council members is perhaps unsurprising given the types of decisions they are involved in making and the more prominent role that they play compared to Parish Councillors.

Whistleblowing



Comments

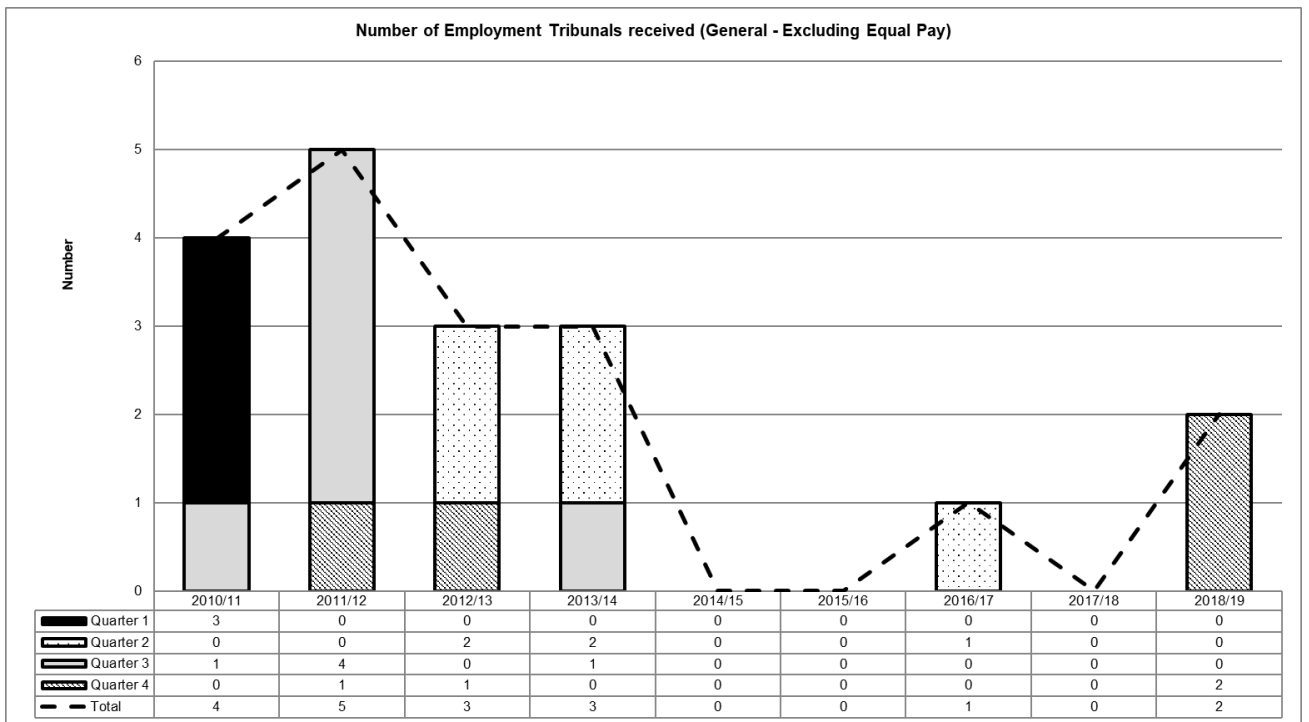
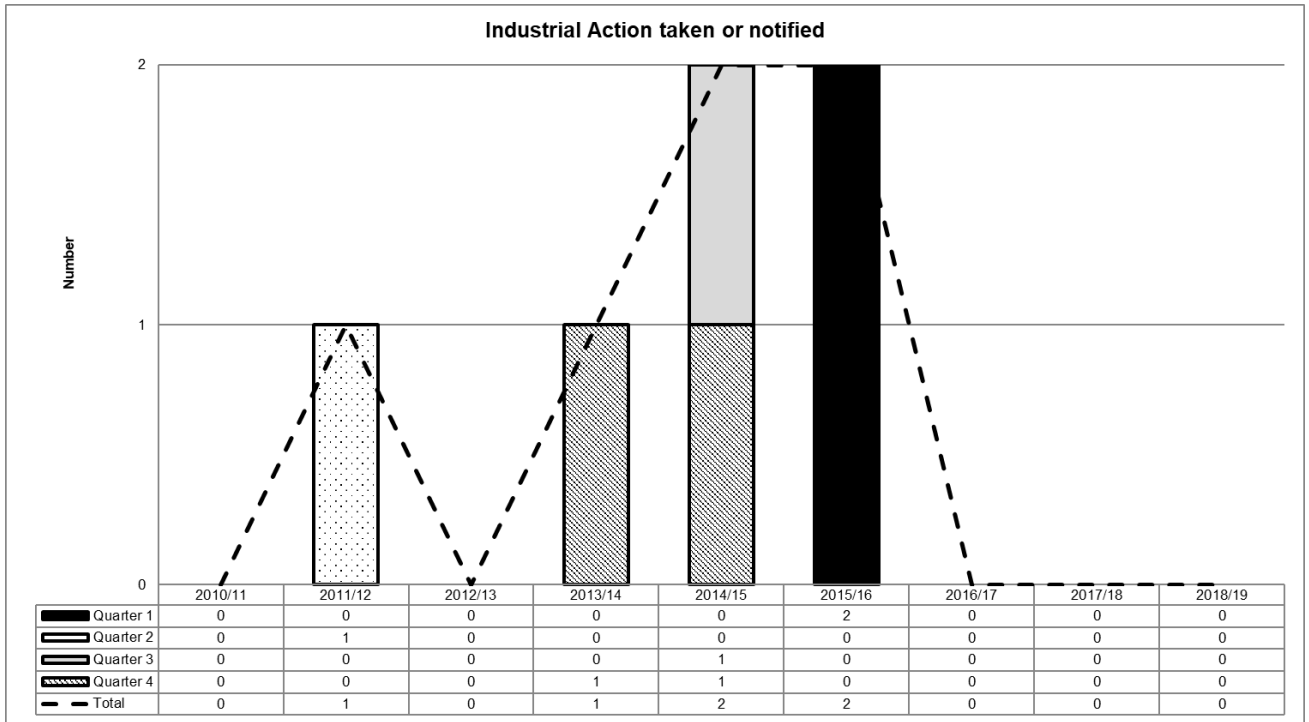
Publicity about the whistleblowing policy took place in the Autumn of 2018. Work was also undertaken to highlight the Council’s Anti-Fraud and Corruption Strategy. There has been a slight increase in reported incidents.



Comments

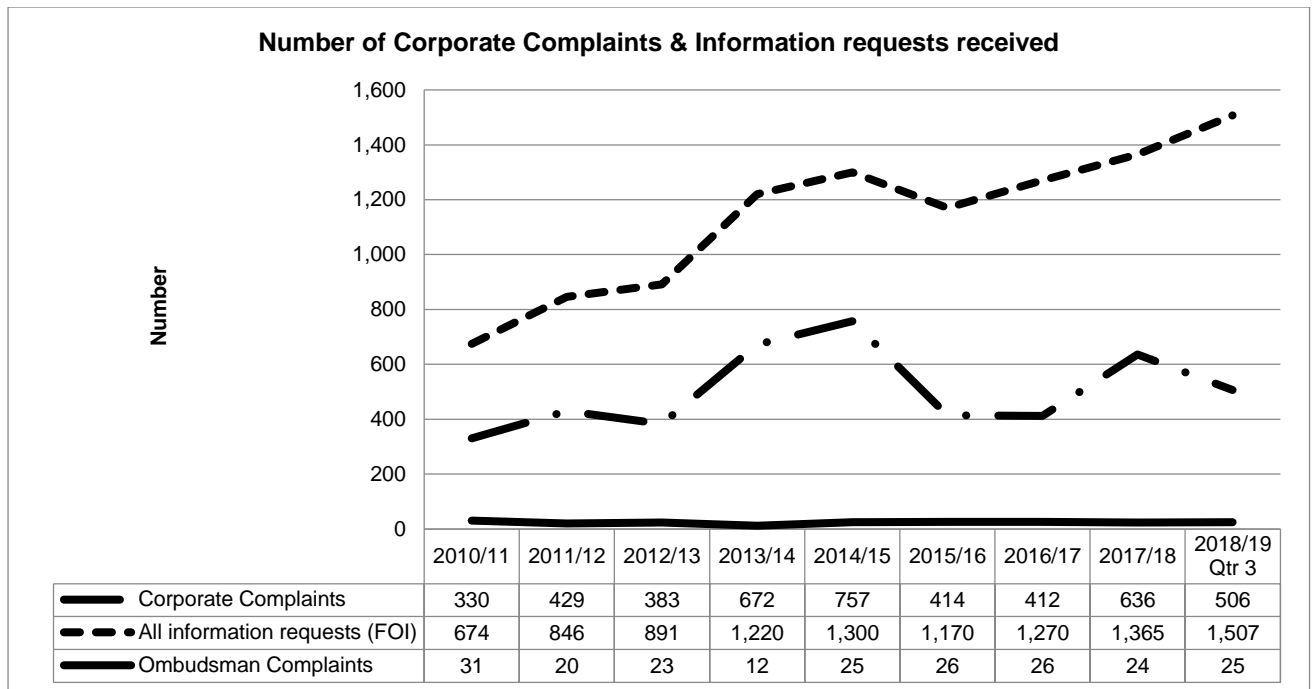
In 2008 a publicity campaign was launched and the Fraud Hotline set up.

Changes in volumes may have some linkage to increasing awareness of how to report concerns and the current financial climate.



Comments

Fees for issuing Employment Tribunal; claims were introduced in July 2013, but held to be unlawful by the Supreme Court on 26 July 2017.



Comments

2010/11 - 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).

2011/12 - the increase in the number of complaints received was anticipated in light of the increased pressure on Council services in the current financial climate.

2012/13 - 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.

2013/14 - this increase in complaints can be attributed primarily to problems people experienced with their refuse collection, following the introduction in wheeled bins.

2014/15 - this increase in complaints can be attributed primarily to problems people experienced with their refuse and recycling collections, following the introduction of alternate weekly collections.

2015/16 – this decrease in complaints can be attributed primarily to the reduction in complaints about problems people initially experienced with their refuse and recycling collections following the introduction of alternate weekly collections.

2016/17 – the number of Corporate Complaints and Ombudsman Complaints received was similar to the number received in 2015/16, while there was an increase of 100 information requests.

