

Report for Resolution

Report to Audit Committee
29 January 2009

Report of Monitoring Officer

Subject Governance Issues Arising From the Investigations into
Greyhound Opening/ Goldsmith Street

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Purpose

To consider the governance issues arising from the investigation into Greyhound Opening/ Goldsmith Street.

Recommendations

That the recommendations set out in the Monitoring Officer's report be implemented.

Financial Consequences

There are no direct financial consequences as a result of this report.

Strategic Priority and Outcome/Service Priorities

The report helps to meet the strategic priority "Aiming for excellence – ensuring the Council is efficient in its use of resources, is effective in delivering its plans, is a good employer and communicates effectively with its customers, staff and partners"

Contact Officers

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Background Documents

None

Report

Report

1. As the Committee will be aware I was asked by the Chief Executive Officer, in my capacity as Monitoring Officer, to investigate if appropriate safeguards are in place where there may be potential Officer conflicts of interest and report on any proposals to improve procedures which protect the interests of both the Council and Officers.
2. My investigation resulted in a report being submitted to the Executive on 7 January, a copy of which is attached as Appendix A to this report.
3. The Committee is requested to consider if there are any further governance issues that require to be dealt with as a result of the Greyhound Opening/ Goldsmith Street issue.

Report of the Monitoring Officer

I have been asked by the Chief Executive Officer to conduct an investigation as the Councils Monitoring Officer and report back to her within 10 working days.

I have been asked to investigate the following:-

- (1) Were appropriate decision making processes followed which led to Council Officers occupying sheltered housing accommodation at Greyhound Opening?
- (2) Are there appropriate safeguards in place where there may be potential Officer conflicts of interests?
- (3) Report back with proposals to improve procedures (which protect the interests of both the Council and Officers).

With regard to (1) above, subsequently to being requested to undertake this investigation, it was agreed with the Chief Executive Officer that as this part of the investigation was also included within the Terms of Reference of the investigation being undertaken by the Director of Regeneration and Development that I would not report on it.

I have not included in the report any specific evidence in the application or lack of application of the Council's policies and procedures as they might form part of a disciplinary process.

Paragraph 10 of Appendix 14 of the Council's Code of Conduct for Local Government Employees constitution deals with Personal Interests.

Paragraph 10.1 states –

'You must declare to your Head of Service any financial or non financial interests that you consider could conflict with the Council's interests, or could cause your conduct to be questioned. Such interests must be registered with the Corporate Governance Officer.'

This paragraph of the Code of Conduct refers to staff reporting interests to a Head of Service. It is my view that where a Head of Service has an interest, the Code of Conduct should be interpreted that a Head of Service must declare an interest to his/her Corporate Director or Chief Executive Officer. Similarly, Corporate Directors must report their interest to the Chief Executive Officer. The Chief Executive Officer would be expected to report his/her interest to the Monitoring Officer.

Paragraph 15.4 of the Code of Conduct for Local Government Employees states that interests should be registered with the Corporate Governance Officer.

Updated copies of the Constitution were last provided to all Heads of Service by the Democratic Services Team of the Legal and Democratic Service in August 2008.

Reminders about the Code of Conduct for Local Government Employees are published twice a year in InnerCity. Such reminders were last published on 18 February and 23 June 2008.

The Code of Conduct for Local Government Employees is drawn to the attention of all staff as part of their induction process and is included in the Staff Handbook which has been issued to all staff in 2007.

Individual Contracts of Employment for all staff refer to the terms and conditions covered by the National Joint Council for Local Government Services.

Included in the National Joint Council for Local Government Services (Green Book) is the following paragraph:-

2. Official Conduct

2.1 Employees will maintain conduct of the highest standard such that public confidence in their integrity is sustained'.

All staff are expected to confirm on their individual online Workforce record that they have read and understood the responsibilities of a range of policies. The Code of Conduct for Local Government employees is one of the policies listed. Guidelines are located on Workforce for employees, on how to record personal details, update contact information and acknowledge that corporate policies have been read and understood.

Most professional bodies have their own Code of Conduct, for example the Chartered Institute of Housing paragraph 2.7 states:-

'members must take steps to ensure that their private, personal, political and financial interests do not conflict with their professional duties. They must disclose to their employer, or if self employed to any relevant clients, any such direct or indirect interests (including those of their immediate family, i.e. parents, spouse, children and siblings), which may affect or appear to affect decisions made by their employers, clients or customers, and they must not influence, or appear to influence, such decisions'

Appendix 20A of the Constitution sets out the Council's Code of Governance which is about how the Council ensures it is doing the right things, the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. Two of the principles of good governance are –

- Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

- Taking informal and transparent decisions which are subject to effective scrutiny and managing risk.

A requirement of the Code of Governance is to develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.

Anti Fraud and Corruption Strategy

This strategy covers 'the requirement to disclose an interest in order to gain financial or other pecuniary benefit.' This policy was revised in November 2008 and adopted by the Audit Committee on 28 November 2008.

Summary

The following procedures are in place to make staff aware of the need to declare either a financial or non-financial interest that could be seen to conflict with the Council's interests or could cause conduct to be questioned.

- Code of Conduct for Local Government Employees.
- Regular reminders are sent to staff via Innercity.
- A copy of the Code of Conduct is given to all new staff as part of their induction and is included in the Staff Handbook.
- The Code of Conduct forms part of the Council's constitution.

Copies of the Council's Code of Conduct for Local Government Employees have been provided to Heads of Service in both the Constitution, Staff Handbook and on Workforce.

It is HR and Learning's normal practice to provide a copy of the Code of Conduct for Local Government Employees with a Contract of Employment.

Conclusion

Adequate safeguards are in place to protect the Council and individual members of staff but they were not followed in this case.

Recommendations

- That paragraph 10.1 of the Code of Conduct be amended to include the Chief Executive Officer and Directors.
- That the Code of Conduct for Local Government Employees be amended to include reference to the Chief Executive Officer, Directors and Head of Services' personal relationship with staff being recorded in the Register of Interests.

Appendix A

- Staff should sign to abide by the Code of Conduct when accepting a new position.
- The process of all staff acknowledging and confirming they have read key policies of the Council be reviewed.
- Consideration to be given to formal probity training to all staff.
- The process of recording 1:1 supervision sessions be reviewed.

John Jones
Head of Legal and Democratic Services
Monitoring Officer