

## **Ethical Governance Health Check**

### **Stockton-on-Tees Borough Council**

#### **1. Introduction**

1 At the council's request an ethical governance light touch health check has been facilitated by the Improvement and Development Agency, (IDeA).

2 The purpose of the health check was:

- To establish how well you are meeting the ethical agenda
- To identify where you can make improvements
- To identify and agree how you can address the issues
- To ensure that high standards of ethical governance are sustained

3 The health check review team consisted of:

Mark Hynes, Director of Legal and Democratic Services and Monitoring Officer at the London Borough of Lambeth: accredited IDeA officer peer

Robert Parker, Labour Group Leader of Lincolnshire County Council: accredited IDeA councillor peer

Heather Ward: Principal Consultant, Improvement & Development Agency

4 The team was on site at the council on 13<sup>th</sup> & 14<sup>th</sup> December 2006.

#### **2. Methodology**

5 The method and process of the review comprised:

6 An initial meeting which was held with David Bond, Director of Law and Democracy, Jenny Haworth, Assistant Chief Executive, Julie Grant, Head of Legal Services and Deputy Monitoring Officer, Gill Gittins, Audit Manager, Bob Gibson, Leader, David Coleman, Deputy Leader, and Francis Hayes, Chair Standards Committee, discussed the scope of the health check.

7 A desktop document review including the analysis of the internal self assessment surveys that had been conducted, the council's guidance on the code of conduct, register of interests, and other protocols and documents.

8 Two facilitated workshops – one with officers and one with the standards committee.

9 Individual interviews with a number of senior officers and councillors including the chief executive, deputy leader, and chair of the standards committee.

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- 10 The desktop review, workshops and interview discussions informally explored aspects of the IDeA ethical governance benchmark which include:
- Leadership, behaviour and style
  - Communication
  - Relationships
  - Accountability
  - Management of Standards
  - Team working
- 11 You requested that particular attention be made to two sections of the benchmark – communications and management of standards. You requested that, where appropriate, the team provide you with examples of good practice elsewhere that may be useful to you.

### **3. General points**

- 12 The council is a 4 star, improving well authority, which has recently been short listed for the LGC council of the year award. It enjoys a good reputation with its residents, and nationally within the local government and public sector.
- 13 In keeping with this, the health check team found strong ethical governance arrangements in place and a positive approach to the ethics agenda throughout the whole organisation.
- 14 The council has a number of strengths which the team recognise in this report, and the IDeA would welcome the opportunity to work with you and share your practice with other authorities seeking to improve their ethical governance arrangements.
- 15 The report has highlighted areas where the team have identified potential areas for improvement and, where possible, the team have signposted good practice authorities for you to contact.
- 16 The IDeA health check team were impressed by the openness and courtesy shown by those we met. All arrangements and other administrative aspects were organised extremely effectively by the council and the teams thanks are extended to all involved for their co-operation and helpfulness.

### **4. What is going well & areas for further attention**

#### **Leadership, Behaviour and Style: what is going well**

- 17 The chief executive and leader both provide strong leadership and work together effectively.
- 18 The monitoring officer enjoys a high profile within the council. He is highly regarded and a trusted advisor for both councillors and officers. He is proactive in providing

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early advice on declaration of interests, particularly before council and cabinet meetings, which is valued and welcomed across the authority and avoids potential difficulties arising at those meetings.

- 19 There are strong relationships amongst councillors, and councillors and officers, with high levels of trust, and an openness and willingness to share ideas and co-operate.
- 20 There is a strong commitment to ethical standards, and an ethos of integrity throughout the organisation.
- 21 The standards committee has an experienced chair, with a committed membership, who have an annual work plan and make an annual report to full council.
- 22 Councillor behaviour overall is good. Whilst recent events (i.e. individual councillor behaviour at full council) show there is no room for complacency, the team found that, amongst both councillors and officers, inappropriate behaviour is not accepted within the authority and appropriate action is taken.
- 23 Officer behaviour and conduct is very good, and officers take pride in maintaining professional standards.
- 24 Councillors and officers understand and respect their respective roles.

### **Leadership, Behaviour and Style: areas for improvement**

- 25 The profile of the standards committee is low within the authority and needs to be raised. The committee needs to consider how to better promote itself within the authority and to the wider community. Some of the following points could assist in addressing this (paragraphs 26 – 32).
- 26 The profile of the standards committee chair could be improved, with him presenting the annual report to full council.
- 27 Individual independent members of the committee could arrange to observe specific council meetings, (the planning committee and full council would appear to be appropriate examples at this time) and report back to the standards committee on councillor conduct and behaviour, and any action needed.
- 28 Visits by members of the standards committee to parish councils could also be planned, specifically post election and when the new code is in place.
- 29 Input by the standards committee could be made to the 'Managing Excellence' programme for 3<sup>rd</sup> & 4<sup>th</sup> tier officers
- 30 The committee could place articles in council newsletters, both internal and external, especially around the new code of conduct.
- 31 Standards and ethics could be a themed meeting of full council, centred around the new code – this could be particularly relevant given recent incidents at full council.

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- 32 Independent members of the committee need access to the intranet.
- 33 There is no ethics champion on the executive and there is virtually no relationship between the standards committee and the executive. It may be appropriate to establish this by building a relationship between the chair of the standards committee and the deputy leader who chairs the Members Advisory Panel (MAP). The deputy leader could then become the ethics champion on the executive.
- 34 Whilst generally councillor relations are good, there was some evidence of some councillors feeling, and being, marginalised. There was some concern expressed that officers are perceived to favour the administration on occasion and do not always provide an appropriate service to other councillors. The team is not stating that these views are correct or incorrect, but it is a perception held by a small number of councillors and should be addressed at a MAP meeting to ensure that the appropriate level of service is actually provided. The MAP could particularly look at the arrangements for scrutiny to issue press releases and consider monitoring the responses given to member enquiries to examine this point in further detail.

### **Communication: what is going well**

- 35 There is a strong culture of being open and transparent and promoting access to information.
- 36 Communications amongst councillors, and between councillors and officers, are open and honest.
- 37 Confidentiality is respected within the authority by both councillors and officers.
- 38 Guidance is issued and there is a good level of awareness amongst both officers and councillors on the code of conduct and the processes involved.
- 39 The whistle blowing policy is well publicised.
- 40 The hospitality and gifts registers are well publicised for both councillors and officers.
- 41 The public view the council positively, with public satisfaction levels with services being high. There are a variety of community consultation groups established that are well used and listened to by the council.

### **Communication: areas for improvement**

- 42 There is little standards and ethics information on the intranet and website, and there is considerable room for improvement.
- 43 There are a number of protocols and guidance notes and this can cause some confusion, especially when documents are not dated, and previous versions are still accessible. Rationalising these where appropriate, ensuring all documents are dated,

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and providing a route map/flow chart could enable councillors and officers to access the right information more easily.

- 44 There could be wider dissemination of information on procedures, as some comments were made about not all officers being aware of all procedures and processes.
- 45 The publicity protocol was mentioned as a cause of some concern, and the difficulty experienced by scrutiny committees to issue press releases. A review of the publicity protocol would be appropriate.
- 46 There was some concern by councillors that guidance could be issued in more accessible language (rather than 'legal language'). Consideration could be given to crystal marking protocols and guidance, and making use of the information and guides of the Plain English Campaign see [www.plainenglish.co.uk/](http://www.plainenglish.co.uk/)
- 47 There was indication during the health check that the public have some concern about the planning committee. The planning committee needs to address this concern, and rebuild confidence, by improving the way meetings are managed and ensuring that councillor behaviour is appropriate (see also paragraph 58). Standards committee members could be invited to observe planning committee meetings and feed back to the planning committee on issues identified (see paragraph 27).

### **Relationships: what is working well**

- 48 There is a strong relationship between the chief executive and the leader that is recognised throughout the organisation.
- 49 The council welcomes constructive criticism, responds positively and demonstrates that it has a learning, not blame, culture
- 50 Senior officers have a good understanding of councillor/officer relationships and protocols (to 3<sup>rd</sup>/4<sup>th</sup> tier).
- 51 The relationship between the audit committee and the standards committee is developing and being encouraged.
- 52 There is a strong positive relationship between the standards committee and the monitoring officer, and similarly between the monitoring officer and the chief executive.
- 53 There are good relationships between councillors and officers, and few areas of conflict.
- 54 There are active trade unions, which are welcomed by officers, and relationships are positive.

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- 55 The standards committee has little relationship with other parts of the council.
- 56 Councillors understanding of officers' role and the councillor/officer relationship can be linked to length of service and new(er) councillors need appropriate training.
- 57 Similarly, more junior staff (below 4<sup>th</sup> tier) may not have sufficient understanding of councillor/officer roles and relationships and need appropriate training to increase their political understanding.
- 58 Relationships between councillors and officers in relation to planning are not as strong as relationships in other areas of the council and are the cause of some concern. Recommendations from officers have been rejected by the planning committee. We are aware that a recent IDeA peer review of planning has been undertaken, and that steps are being taken to improve the situation. However, it remains an area of concern. Taking account of good practice in this area by other councils consideration could be given to:-
- Strengthening the training provided to councillors of the committee, to ensure that councillors do attend for all of the session when courses and refresher/update courses are provided and additional training on chairing of committees is available for both the chair and vice chair of planning.
  - Ensure that there is good communication between councillors of the committee and planning officers to ensure that all arrangements are made, and all information is available, in preparation of planning committee meetings.
  - Ensure debates do not stray into non-relevant issues and individuals are not permitted to "show boat".
  - Ensure that all reasons for refusal can be legally supported on proper planning grounds and are formally recorded.

### **Accountability: what is working well**

- 59 Officers have wide powers of delegation, which are exercised appropriately and significant decisions are corporately published and reviewed by councillors.
- 60 Generally, there is a culture of cross party support for decisions taken. Call-in has not been used for over two years and this is generally seen in the authority as a sign of cross party support. However, this view was not universally held by all councillors (see paragraph 63 below).
- 61 Scrutiny processes are transparent and politics tend 'to be put on one side'. Generally scrutiny is seen as effective and strong on policy development and fulfils its 'critical friend' role well, however there is still scope for its effectiveness to develop further which is being addressed.
- 62 The use of the exempt information provision is applied sparingly and appropriately, with most information being publicly available which supports the council's approach to openness and transparency.

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### **Accountability: areas for improvement**

- 63 There is some frustration within back bench councillors of their ability to hold the executive to account. Call in requires at least six councillors and it may be that this should be reviewed to increase back bench confidence in the process, with some consideration to the numbers required at other council's. For example at Gateshead (66 councillors), Sunderland (75 councillors) and Lincolnshire County (77 councillors) councils three councillors can effect a call in.

### **Management of standards: what is working well**

- 64 There are a number of good protocols in place to cover issues appropriately, (however see paragraph 43 re the rationalising the number of protocols).
- 65 Councillors are proactively issued with advice on interest issues before each council and cabinet meeting.
- 66 Contact officers have been identified for councillors to seek further information.
- 67 Generally there is a good level of understanding of when to declare interests in formal meetings.
- 68 There is a comprehensive Anti Fraud and Corruption Policy, which includes the whistle blowing procedure. This is available on the intranet and the provisions work well with nominated officers in all departments. The whistle blowing processes are recognised as best practice by the Chartered Institute of Public Finance and Accountancy (CIPFA).

### **Management of standards: areas for improvement**

- 69 The gifts and hospitality register, for officers, contains some practice that appeared, to the team, to be inconsistent with the guidance. There appears to be more than one set of guidance for officers. For councillors there did not appear to be guidance.
- 70 Some of the items registered in the gifts and hospitality register, by councillors, could benefit from being critically reviewed, and there needs to be a more robust check that all councillors' interests, including gifts and hospitality are being declared promptly, are date-stamped on receipt, are up to date and are credible.
- 71 A regular review of both officer and councillor interest registers and gifts and hospitality registers should be undertaken and new items reported to the standards committee. The committee could then identify any concerns, trends and issue or amend guidance as necessary.
- 72 In further enhancing good practice in openness and transparency in council governance, consideration should be given to the practice of some councils to publish councillors' register of interests and gift and hospitality register on their websites. (See [www.brent.gov.uk/democracy](http://www.brent.gov.uk/democracy) which makes councillors register of interests and gifts &

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hospitality registers available and [www.lambeth.gov.uk](http://www.lambeth.gov.uk) which make available councillors register of interest listed under each councillor, as do [www.lincolnshire.gov.uk](http://www.lincolnshire.gov.uk) and both authorities give each councillor the option to decide whether her/his own register of interests can be disclosed on the council's website.)

- 73 The recent incidents of inappropriate behaviour by some councillors have caused considerable concern and ways of addressing this, before matters escalate, are clearly being considered within the authority. The monitoring officer in conjunction with the political group leaders need to explore options of controlling certain councillor behaviours through informal dispute resolution to avoid formal complaints being made to the Standards Board for England.

### **Team working: what is working well**

- 74 A thorough induction for new councillors is being developed, to include information on the code of conduct and ethics issues, with flexibility being built into the programme for councillors to be able to access training in a variety of ways suitable to their other commitments.
- 75 The standards committee has undertaken training, including 'role play' hearings.
- 76 Councillors are involved in the IDeA leadership programme and signed up to the regional councillor development charter.
- 77 The recruitment and diversity/equality policies are seen as thorough and effective by officers.
- 78 Advisory, conciliation and arbitration service (ACAS) training for whistle blowing investigators is planned.
- 79 The culture of the council was generally referred to, by those involved in the individual interviews and workshops, as supportive, collaborative and positive.

### **Team working: areas for improvement**

- 80 More training and information needs to be provided to parish councillors on standards. Parish councillors would welcome more involvement, and attendance at meetings, by borough council officers.
- 81 Councillor take up of training was a cause of some concern. With the new training programme being introduced, which intends to provide greater flexibility for councillors to access training, it could be of value to consider how councillor take up will be monitored. A review of what training is mandatory could also be worthwhile. Councillors elected via by-elections also need a full training programme.
- 82 Ensure that adequate resources are available to meet new standards obligations – review this when the new code is issued.



## **5. Summary of recommendations**

83 The report has highlighted many strengths and good practice areas for the Council.

84 In summary our key recommendations are:

- Raise the profile of the standards committee and its work.
- The deputy leader to become the ethics champion on the executive.
- Improve standards and ethics information on the intranet and website.
- Rationalise protocols and provide a route map/flow chart.
- Build greater confidence in the planning committee.
- Review the number of councillors needed to effect a call in.
- Clarify rules and guidance on gifts and hospitality for both councillors and officers.
- Review the register of interests and gifts and hospitality of both councillors and officers, and regularly report new items to the standards committee.
- Ensure statutory obligations are met in relation to parish councils and parish councillors receive adequate training and information on standards and ethics.
- Share own good practice more widely within the local government sector.

85 The IDeA would be pleased to provide post health check support to the council such as action planning to implement recommendations, facilitation to the standards committee to develop ways to raise its profile, awareness training within the council (using the ethical governance toolkit scenarios) and awareness training in parish councils.

Ethical Governance Health Check team

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