



**PERSONNEL COMMITTEE MEETING
11 April 2019**

ITEM 6

Report sponsor: Nicola Sykes Director for HR
and OD
Report author: Nyree Treece HR Advisor

Inclusion of an Ethics Statement to the Employee Code of Conduct

Purpose

- 1.1 The purpose of the Ethics Statement is to provide guidance for Council colleagues on the ethical framework within which the Council seeks to conduct its activities.
- 1.2 To raise awareness with colleagues about the processes the Council uses to ensure compliance with the highest ethical standards.
- 1.3 To reaffirm the Council's standards of behaviour and conduct for colleagues in all aspects of their work.

Recommendations

- 2.1 The Code of Conduct is part of the Council's Constitution; the incorporation of the Ethics Statement within the Code of Conduct will require Council approval after being considered by Personnel Committee.
- 2.2 To undertake a Council wide communications strategy to raise awareness of the Council's Ethics Statement.
- 2.3 To commit to a review of the Ethics Statement, following implementation of the Council's proposed new set of values arising out of the diagnostic work conducted by the Chief Executive's Corporate Core Team, and the findings and recommendations of the Committee on Standards in Public Life's nationwide review of ethical standards for public service providers published on the 31 January 2019.

Reasons

- 3.1 In June 2018, our Internal Audit Service (Central Midlands Audit Partnership) undertook a review of the Council's risk and ethical framework. The purpose of the review was to highlight key areas for improvement; in particular ensuring ethical behaviour is understood, promoted and actively encouraged across the Council.
- 3.2 The report identified a number of policy documents that are in place with an ethics related theme but also highlighted that the Council does not have a separate overarching Ethics Policy document that consolidates and provides a complete and clear message on the high ethical standards expected from all colleagues, councillors and

stakeholders.

- 3.3 The audit report recommends that the Council considers establishing a separate ethical policy document that incorporates the Council's core values and its corporate vision to maintain a high ethical culture and the management of integrity risks. The policy should detail how it will be governed, implemented and monitored.
- 3.4 The audit report also recommends that the ethics policy should aim to consolidate and provide a synopsis or signpost to all the associated policies which promote and encourage the high ethical standards expected of all colleagues, councillors and stakeholders.
- 3.5 The Committee on Standards in Public Life has also undertaken a nationwide review of ethical standards for public service providers. The review findings were published on the 31 January 2019. A number of the Committee's recommendations require legislative change, for implementation by the government, along with best practice guidance, as a benchmark for local authorities to implement; the Council will consider this guidance as part of the review work set out in recommendation 2.3.
- 3.6 The Council's implementation of an Ethics Statement, and its inclusion in the Employee Code of Conduct, is an interim step to demonstrate the Council's commitment to maintaining high ethical standards and will address the audit report recommendations.

Supporting information

- 4.1 The Members' Code of Conduct incorporates the General Principles of Public Life and expectations relating to Member behaviour and disclosures of interests and is made available on the Council's intranet and the Committee Management Information System.
- 4.2 Newly elected councillors and returning councillors are all required to attend the mandatory presentation delivered as part of the induction process which includes the code of conduct, register of interest, gifts and hospitality, governance and code of ethics.
- 4.3 The audit report recommends that councillors be included in the Council's Ethics Statement. Following a review of the current Members Code of Conduct it was noted that the General Principles of Public Life (as published by the Committee on Standards in Public Life in May 1995 and which remain the overarching principles by which Members should conduct themselves) are already incorporated within that document, as are expectations relating to Member behaviour and disclosures of interests.

- 4.4 Following discussion with the Head of Audit and the Council’s Monitoring Officer it was agreed that for the purposes of this Ethics Statement, colleagues and other stakeholders will be included, whilst a further review is undertaken of councillors’ development and training in this area (recommendation 2.3).

Public/stakeholder engagement

- 5.1 The Ethics Statement and the incorporation to the Employee Code of Conduct has been approved by Corporate Leadership Team on 24/09/2019 and the Council’s Monitoring Officer for consultation purposes. The revised Employee Code of Conduct has been agreed at the Policy Working Group following consultation with Trade Union colleagues.

Other options

- 6.1 To delay taking any steps until a full review has been undertaken following the publication of the findings of the Committee on Standards in Public Life national review and the completion of the Chief Executive’s diagnostic work on the Council’s organisational values. However, Officers consider that this interim step will allow the Council to move forward in this area and facilitate compliance with the audit report.

Financial and value for money issues

- 7.1 None arising

Legal implications

- 8.1 As the Employee Code of Conduct forms part of the Council’s Constitution, the incorporation of the Ethics Statement within the Code of Conduct will require Council approval after being considered by Personnel Committee.

Other significant implications

- 9.1 None arising.

This report has been approved by the following people:

| Role | Name | Date of sign-off |
|----------------------------|-----------------------------------|-------------------------|
| Legal | Emily Feenan | 20/03/2019 |
| Finance | | |
| Service Director(s) | Don McLure Strategic Director | 20/03/2019 |
| Report sponsor | Nicola Sykes, Director of HR & OD | 20/03/2019 |
| Other(s) | Liz Moore, Head of HR | 20/03/2019 |

