
4 March 2021

Name of Cabinet Member:

N/A - Ethics Committee

Director Approving Submission of the report:

Director of Law and Governance

Ward(s) affected:

None

Title: Code of Conduct Update

Is this a key decision?

No

Executive Summary:

This report updates members of the Ethics Committee on any national issues in relation to the ethical behaviour of elected members and the local position in Coventry with regard to Code of Conduct issues.

Recommendations:

The Ethics Committee is recommended to:

1. Note the cases determined under the standards regime nationally;
2. Note the local position relating to the operation of the Council's Code of Conduct and to delegate any actions arising from these to the City Solicitor and Monitoring Officer, in consultation with the Chair of the Ethics Committee.

List of Appendices included: None

Other useful background papers can be found at the following web addresses:
None

Has it been or will it be considered by Scrutiny?
No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?
No

Will this report go to Council?
No

Report title: Code of Conduct update

1. Context (or background)

- 1.1 The Council's Ethics Committee has agreed that the Monitoring Officer will provide a regular update on cases relating to the Members' Code of Conduct on a national basis. This is to facilitate the Ethics Committee's role in assisting the Council with its duties under section 27 of the Localism Act 2011 to promote and maintain high standards of member conduct.

1.2 The national picture

- 1.2.1 Since the abolition of the Standards Board for England, national statistics and case reports are no longer collated. Therefore, any cases reported are taken from general research where councils publish details of their conduct hearings in public. The Committee's attention is drawn to the following case which has recently been reported:

1.2.2 Councillor O: Merthyr Tydfil Borough Council

This case was determined by the Adjudication Panel for Wales under the Welsh standards regime which is very similar to the regime which existed in England up to 2012.

Councillor O was alleged to have breached the Code of Conduct by failing to declare his interest in a property and to withdraw from an inter-agency meeting which affected that property, by making representations about the matter both at the meeting and by email to a council officer and showing a lack of respect to the Chief Executive at a subsequent meeting.

Councillor O was found to have breached the Code on all 6 allegations and was suspended for 7 months.

1.2.3 Nottinghamshire City Council

In November 2020, a rapid non-statutory review was undertaken at the request of the Ministry of Housing, Communities and Local Government to examine serious governance and risk management issues at Nottingham City Council. This was with particular reference to issues associated with the council's private energy company, Robin Hood Energy.

The subsequent report found that the council's financial strategy and commercial investment decisions over the past four years had resulted in a very significant budget gap and low levels of reserves. It also highlighted that the council "failed to

understand the roles and responsibilities associated with managing their companies and, as a result, ended up with significant debts”.

Amongst other things, the review noted that one of the major causation factors for the position the council now found itself in was the inability to recognise, respect and take action on the advice the Section 151 officer (S151 officer) was providing. “Over a period of years, the position she had correctly identified was delayed in reporting, not supported by other senior officers, and resulted in no effective action being taken. This was not aided by the structure of the council, which had established posts in spending and delivery areas which properly needed to come under the professional oversight of the S151 officer.”

The report said that “in a similar vein, the team also noted that it was possible for legal advice to be sought and proffered to the council without the clear oversight of the Monitoring Officer.” Such an approach completely undermined the Statutory Officer roles that these officers were required by legislation to play and was “completely unacceptable”.

As a result of that report, the Minister announced in December that the Government will be appointing experts in governance and finance to a new Improvement and Assurance Board at the City Council. The council was also required to put forward its 3-year recovery plan by the end of January 2021, setting out how it will improve its financial position and review its investments.

The council must also submit progress reports to the Ministry of Housing, Communities and Local Government (MHCLG) on a quarterly basis. In the event of a failure by the council to demonstrate significant progress, a more formal statutory intervention will be considered, including the appointment of commissioners.

1.2.3 Liverpool City Council

Committee members will be aware that in early December 2020, 5 people were arrested in connection with offences of bribery and witness intimidation as part of an investigation into building and development contracts in Liverpool. Police later confirmed that they had been released on conditional bail pending further inquiries. These included the elected Mayor.

The Ministry of Housing, Communities and Local Government subsequently wrote to Liverpool’s Chief Executive asking the council to provide information on the steps it has taken to secure effective governance, in light of the investigation. This is with particular reference to the council’s planning, highways, regeneration and property management functions. In addition, the council is being asked to provide information about “any proposals to enter into any commitment to dispose of, or otherwise transfer to third parties, or relating to the development of, any real property other than” existing housing stock.

1.2.4 Handforth Parish Council

Members will be aware of the publicity that has surrounded a video of a parish council meeting that has been circulating on social media. The Committee on Standards in Public Life, while acknowledging that some aspects of the video are entertaining, has pointed out that it does raise important issues about ethical standards in local government. In a blog in February, the CSPL has drawn attention to its 2019 report on ethical standards and the concern it has about dysfunctional meetings and bullying behaviour. It has pointed out the recommendations that it made in respect of parish councils, including mandatory qualifications for parish council clerks, the requirement to adopt a code of conduct and stronger rules about imposing sanctions.

1.2.5 Committee on Standards in Public Life

The CSPL has published a short report on reviewing progress against its 15 Best Practice recommendations for ethical standards. The responses that it has received from local authorities to date have been positive with most local authorities confirming that they have already implemented or are taking steps to implement the best practice recommendations

1.3. The local picture

Complaints under the Code of Conduct

- 1.3.1 The Ethics Committee has requested that the Monitoring Officer report regularly on any complaints received relating to Members of Coventry City Council.
- 1.3.2 The Monitoring Officer has received four new complaints since the date of the last meeting (3 December 2020). One complaint has been withdrawn by the complainant, 2 have been completed at Stage 1 one of the complaints process and the other one is in progress.
- 1.3.3 Since the last meeting four complaints have been completed and are the subject of a separate report to the committee.
- 1.3.4 The Monitoring Officer will update the Committee on any complaints received before the meeting and progress on those already received.
- 1.3.5 All complaints are handled in accordance with the agreed Complaints Protocol. No findings have been made by the Local Government Ombudsman in relation members of Coventry City Council. No complaints have been received by the Monitoring Officer in respect of a Parish Councillor.

2. Options considered and recommended proposal

Members of the Committee are asked to:

1. Note the cases determined under the standards regime nationally;
2. Note the local position relating to the operation of the Council's Code of Conduct and to delegate any actions arising from these to the City Solicitor and Monitoring Officer, in consultation with the Chair of the Ethics Committee.

3. Results of consultation undertaken

- 3.1 There has been no consultation as there is no proposal to implement at this stage which would require a consultation.

4. Timetable for implementing this decision

- 4.1 Any actions arising from this report will be implemented as soon as possible.

5. Comments from Director of Finance and Director of Law and Governance

5.1 Financial implications

There are no specific financial implications arising from the recommendations within this report.

5.2 Legal implications

There are no specific legal implications arising from this report. The issues referred to in this report will assist the Council in complying with its obligations under section 27 of the Localism Act 2011.

6 Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

Not applicable.

6.2 How is risk being managed?

There is no direct risk to the organisation as a result of the contents of this report.

6.3 What is the impact on the organisation?

No direct impact at this stage

6.4 Equalities / EIA

There are no public sector equality duties which are of relevance at this stage.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None at this stage

Report author:

Name and job title: Carol Bradford, Corporate Governance Lawyer, Regulatory Team, Legal Services

Directorate: Law and Governance

Tel and email contact: 024 7697 7271 carol.bradford@coventry.gov.uk;

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Officer	Law and Governance	17.02.21	23.02.21
Names of approvers for submission: (officers and members)				
Finance: Graham Clark	Lead Accountant	Finance	17.02.21	18.02.21
Legal: Julie Newman	City Solicitor and Monitoring Officer	Law and Governance	17.02.21	17.02.21
Councillor Walsh	Chair of Ethics Committee		22.02.21	22.02.21

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