

Governance Matters



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In Governance Matters this month our regular in-depth feature 'Spotlight on...' focuses on the registers of gifts and hospitality for Members and officers. Details of the requirements to register gifts and hospitalities can be found in the Member and officer Codes of Conduct, which we have covered in a previous edition of Governance Matters.

We will also take a look at what the Corporate Governance and Audit Committee and the Standards Committee considered at their last meetings, and at the work they have scheduled for their next meetings.

We hope you find the information helpful and interesting.

As always, you can play your part by emailing suggestions for articles to cxd.corporategovernance@leeds.gov.uk

Front Page News...

Ethical Audit Questionnaire

The ethical audit is now complete, and 49% of those who were asked to participate returned a survey. We would like to say a big thank you to everyone who took the time to complete a questionnaire. We are now compiling the results and will be reporting to the Standards Committee before the end of this municipal year. We'll update you on the results and what Leeds City Council is going to do to respond to these results in due course.

Local Government White Paper – "Strong and Prosperous Communities"

The Department for Communities and Local Government published the new white paper on 26th October 2006. It is anticipated that the reforms suggested in the white paper will empower citizens and communities; create stronger and more visible leadership; and put in place a new framework within which local authorities and their partners can work. As a result of these reforms, there will be some practical changes to the authority's governance arrangements. We will keep you informed of any changes as and when they happen. In the meantime, you can find out more about the Local Government White Paper [here](#).

Standards Board for England Fifth Annual Assembly

The Fifth Annual Assembly of Standards Committees was held on 16th & 17th October 2006 at the International Conference Centre (ICC) in Birmingham. Amongst the subjects discussed were the Local Government White Paper, the results of the BMG research into standards committees, and the inaugural meeting of the new Association of Independent Members of Standards Committees in England (AIMScE). A report on the Annual Assembly will be presented to the Standards Committee on 21st December.

Spotlight on...

Should Members accept gifts or hospitality offered to them?

The acceptance of gifts and hospitality affects the public view of Members and of their authority. Members must act in the public interest, and not for personal advantage. Members must not be swayed in carrying out their duties by the offer of any reward for carrying out those duties in a particular manner.

When deciding whether to accept a gift Members should consider the following principles.

- Never accept a gift or hospitality:
 - as inducement or reward for anything you do as a Member;
 - which puts you under an improper obligation; or
 - if acceptance might be open to misinterpretation.
- Only accept a gift or hospitality if there is a commensurate benefit to the authority
- Never solicit a gift or hospitality

There may be circumstances where Members can accept a gift or hospitality without considering these general principles, for example a modest working lunch (less than £10). More details of the rules regarding gifts and hospitality can be found in a [briefing note](#) available on the Council's intranet.

When should Members register their acceptance of gifts or hospitality?

Members are required by their Code of Conduct to register all gifts and hospitality over the value of

£25. Members should be aware that a series of gifts from the same person with a combined value of £25 should also be registered. Members only have to record those gifts which they accept, but they must do so within 28 days. To do this, Members must notify their Group Support Manager.

Should officers accept gifts or hospitality offered to them?

If officers are offered a gift from a company which has actual or potential business dealings with the Council, that gift should nearly always be refused. Modest gifts, for example inexpensive office equipment bearing the name of the company, can be accepted.

Certain offers of refreshments, accommodation or travel may be acceptable within certain limits. Refer to the officer Code of Conduct for more detail.

When should officers register offers of gifts or hospitality?

All offers of gifts and hospitality with the exception of the modest gifts outlined above, must be recorded in the register of gifts and hospitality. A form for recording such offers can be found in the officer Code of Conduct, and should be submitted to the Departmental Head of Human Resources.

Useful Tips

If in doubt, speak to the Monitoring Officer or your line manager. These rules do not apply to any accommodation, travel, refreshments etc. which may be provided to you by Leeds City Council. The Local Government White Paper also promises new national Codes of Conduct for Members and officers in the near future.

Corporate Governance and Audit Committee

29th November 2006

Among the issues the Committee considered were the half-year internal audit update report and a report regarding progress against the Corporate Governance Statement Action Plan (see issue 6 of Governance Matters for an explanation of the Corporate Governance Statement).

HALF YEAR INTERNAL AUDIT REPORT

Internal Audit is an independent appraisal function established by the Council to objectively examine, evaluate and report on the adequacy of internal control as a contribution to the proper, economic, efficient, and effective use of resources.

The internal control system comprises the whole network of systems established within the Council to ensure that its objectives are achieved and in the most economic and efficient manner.

The half year report updates Members on the work undertaken in the first six months of the year and summarises the significant issues during the period.

NEWS FLASH!

This is the last meeting of the year that will be chaired by Councillor Mark Harris. For the next six months (December 2006 – May 2007) the Committee will be chaired by Councillor Andrew Carter.

PROGRESS AGAINST THE CORPORATE GOVERNANCE STATEMENT ACTION PLAN

The Corporate Governance Statement was approved by the Committee at its meeting of the 29th June 2006.

Part four of the Statement details the programme for improvement for significant control issues. Based on the areas of improvement detailed in section four, and on any actions outstanding from the previous year, the Council develops an action plan. The Committee are then able to monitor progress against the areas of improvement throughout the year and discuss any issues with the relevant responsible officer at the Committee meeting.

31st January 2007

Items to be considered in January include:

- An update report on the Council's Risk Management arrangements.
- A report updating Members on the work of the Standards Committee in the first half of the year, including an update on the Ethical Audit.
- The quarterly report regarding complaints to the Local Government Ombudsman.
- An update on the Council's Delivering Successful Change project.
- A report from the external auditors on area management.

Standards Committee

4th October 2006

Among the issues considered was a report on recent case law on bias and predetermination of decisions and the outcome of a research project by the University of Manchester.

CASE LAW ON BIAS AND PREDETERMINATION OF DECISIONS

This report summarised a decision of the High Court in a recent judicial review about bias and predetermination. The Judge concluded that Members are able to express a view on a matter (for example in an election manifesto) and still vote on the matter later on, as long as they keep an open mind to all the arguments.

A further briefing note on this subject will be available in the new year.

THE COMPONENTS OF AN ETHICAL ENVIRONMENT

This research was conducted by the Institute for Political and Economic Governance at the University of Manchester. The aims of the research were to identify the components of an ethical environment and investigate the relationship between these components. The report can be downloaded [here](#).

The research also identified different types of standards committees - the Leeds Standards Committee considers itself to conform to the 'Guide Dog' model in the report.

21st December 2006

Items to be considered in December include:

- A report consulting the Committee on the updated draft Members ICT policy.
- A report on the events of the Standards Board for England Fifth Annual Assembly attended by the Chair of the Committee.
- The Adjudication Panel for England's second annual report.
- The outcome of the Ken Livingstone appeal against the decision of the Adjudication Panel.
- The preliminary results of the ethical audit questionnaire.
- A report on the anticipated changes to the Members' Code of Conduct in May 2007.
- Six monthly reports on Parish Council training and the work of the Standards Committee.

THE NEXT ISSUE OF GOVERNANCE MATTERS

We hope you have found this issue of Governance Matters useful.

In the next issue we will focus on the Comprehensive Performance Assessment.

If you have any ideas for our 'Spotlight On...' feature or any questions you would like answering, please contact the Corporate Governance Team on 0113 39 51632 / 0113 39 50261 or email us at cxd.corporategovernance@leeds.gov.uk