
THE ETHICAL GOVERNANCE TOOLKIT

1 SUMMARY

- 1.1 This report invites Members to consider the use of an ethical governance toolkit promoted by the Standards Board for England (SBE) to assess how well the Council is meeting the ethical agenda and to improve further its arrangements.

2 INTRODUCTION

- 2.1 The toolkit has been developed by the Audit Commission and the Improvement and Development Agency (IDeA) with the support of the SBE.
- 2.2 The toolkit consists of four key elements, each administered by either the Audit Commission or the IDeA. These comprise a self-assessment survey, a full audit, a light touch health check and developmental workshops.
- 2.3 The toolkit has been designed so that users can ‘pick and mix’ the different elements. The self-assessment survey, full audit and light touch health check are ‘diagnostic tools’ and it is recommended that they be used prior to the developmental workshops.
- 2.4 The developmental workshops use “ethical scenarios” to seek to increase awareness and understanding of the Code of Conduct and ethical behaviour. These workshops can be tailored to meet issues of awareness and understanding identified during the diagnostic stage.

3 THE FOUR ELEMENTS OF THE TOOLKIT

Self-assessment survey (Audit Commission)

- 3.1 The self-assessment survey is designed to assess the authority’s awareness of ethical issues. It is used to produce a short analysis, recommendations and an action plan. Its target audience is all elected members, senior officers and staff involved in democratic services and it takes 1-4 days depending on the output required.

Full Audit (Audit Commission)

- 3.2 The Full Audit comprises an in-depth assessment of the Council’s
- compliance with the Code of Conduct
 - arrangements for local determinations and investigations
 - the roles and responsibilities of standards committees
 - monitoring officer roles and responsibilities
 - Chief Executive role and responsibilities

- protocols and constitution
- arrangements for promoting confidence in local democracy
- understanding of ethical issues and behaviours

3.3 The audit will produce a full report, recommendations and action plan. It is targeted at corporate leadership, senior management and Standards Committee members and takes 7-10 days.

Light Touch Health Check (Audit Commission/IDeA)

3.4 This is a quick assessment of the following behaviours of the Council:

- Leadership
- Relationships
- Communication
- Accountability
- Management of standards
- Team working and co-operation

3.5 The Health Check will provide a summary report, action plan and presentation. Its target audience is Standards Committee members, Monitoring Officer, Chief Executive and senior management. It takes 0.5-1 day.

Developmental Workshops (IDeA)

3.6 Developmental workshops use “ethical scenarios” to improve awareness and understanding of ethical issues facing the council and the Code of Conduct. An action plan is produced. The target audience is the Standards Committee, other Councillors, Monitoring Officer, Chief Executive and senior management. Each workshop takes 1 day.

3.7 Authorities are recommended to invest in trained external facilitators for all diagnostic work to ensure “constructive challenge of existing assumptions or cultural aspects within the council that can be difficult to uncover by self-diagnosis and review”. Although the toolkit is available for use by councils internally, there is no guarantee that the results will be considered as valid within the Comprehensive Performance Assessment (CPA) inspecting framework without external challenge.

4 OPTIONS

- 4.1 When making a decision about which diagnostic tools to use, the Council needs to consider the roles of the Audit Commission and IDeA and how this fits with its needs, and also the level of resources (in terms of finances and staff time) it is able to commit.
- 4.2 The strength of the Audit Commission is in addressing compliance, assurance, improvement and issues to do with arrangements. The IDeA has particular experience in working with members and officers on cultural and behavioural issues.
- 4.3 Although it is believed that a reasonable level of training has been provided to Members and Officers since the introduction of the new ethical framework, there is merit in carrying out a check to ascertain:-
- how well the Council is meeting the ethical agenda
 - where improvements can be made
 - how to address any issues
 - how well the Council is meeting CPA benchmarks and
 - how to help ensure that high standards of ethical governance are sustained.
- 4.4 Both the Audit Commission and the IDeA claim to work flexibly with councils and will discuss various options from within the toolkit. From the above, it would appear that a full audit is probably too resource intensive. It is therefore suggested that a self-assessment survey facilitated by the Audit Commission and light touch health check by the IDeA would be most beneficial. This could be followed by suitable developmental workshops provided by the IDeA as necessary.

5 RISK IMPLICATIONS

- 5.1 Failure to achieve high ethical standards has consequences for both members, and the Council including:-
- loss of credibility and confidence in individual members, the council and local democracy by the public
 - investigation sometimes leading to the disqualification of members
 - potential litigation and costs of defending a challenge
 - poor decision-making.

6 RESOURCE IMPLICATIONS

- 6.1 Initial investigation suggests that the cost of a facilitated self-assessment and health check will be approximately £8800. This can be met from the Capacity Building fund.
- 6.2 Developmental workshops will cost approximately £3000 and again can be met from the Capacity Building fund.

7 RECOMMENDATION

- 7.1 It is proposed that the Committee **RESOLVES**

to utilise the Ethical Governance Toolkit to undertake a self-assessment and light touch health check as outlined in the report together with any suitable Developmental Workshops arising out of the assessment, the cost to be met from the Capacity Building fund.

John Honey

Corporate Director (Internal Services)

Background Papers:-

None

For further information please contact John Honey on:-

Tel:- 01702318004

E-Mail:- john.honey@rochford.gov.uk