



# Doncaster Council

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**Date: 17 June 2020**

**To the Chair and Members of the  
AUDIT COMMITTEE**

## **ANNUAL REPORT OF MONITORING OFFICER**

### **EXECUTIVE SUMMARY**

1. This paper sets out the Monitoring Officer's (MO's) Annual Report on matters relating to ethical governance, including details of any complaint handling activity carried out in consultation with the Independent Person in relation to allegations of Member misconduct, details of disclosures made under the Council's Whistleblowing Policy during the last 12 months and any reports under the Money Laundering Policy.

### **RECOMMENDATIONS**

2. It is recommended that the Committee:-
  - (i) notes the MO's annual report on complaint handling activity for the period 1st April 2019 to 31st March 2020;
  - (ii) notes the whistleblowing return for 2019/20.
  - (iii) notes the nil money laundering reports for 2019/2020.

### **WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

3. Having robust ethical governance policies and procedures in place helps to maintain openness, transparency and probity in the way in which the Council conducts its business. This in turn should help increase public confidence in local governance through maintaining high standards of conduct by Members and Officers.

## BACKGROUND

4. In accordance with adopted practice, this committee receives a report by the MO on an annual basis, which summarises complaint handling and ethical governance activities during the previous 12 months.

### **Councillor Complaint Handling Activity – 1st April 2019 to 31st March 2020**

5. The Monitoring Officer works closely with the Council's designated Independent Person (IP), Philip Beavers on matters of Member Behaviour and Complaints.

6. The Council's *Arrangements For Handling Complaints Regarding allegations of Member Misconduct* requires that all complaints are provided upon the Council's specified complaints form. In accordance with this process, the Monitoring Officer is only able to consider these formal complaints and it is those which are detailed within this report. Upon receipt of a formal complaint, the Monitoring Officer considers whether the complaint is a potential breach of the Council's Code of Conduct and consults with the Independent Person upon its contents. In consultation with the Independent Person, the Monitoring Officer considers whether the allegations are serious enough to potentially warrant a formal investigation and potentially a hearing of the Audit Committee (Standards Hearing) Sub-Committee. Since the law changed in 2010 that sub-committee has met on only two occasions. Wherever possible the Monitoring Officer will seek an alternative form of resolution, most usually an apology.

#### Borough Councillors

7. Over the last 12 months, four formal complaints against Borough Councillors have been received by the MO. Two complaints were not considered to be a breach of the code. Of the remaining two complaints, both Councillors made apologies upon realising the discomfort caused by their comments. On that basis the MO and the Independent Person determined that no further action was required.

This report only details those complaints which followed the Council's policy & were submitted on the Code of Conduct complaints form. Other matters were brought to the attention of the Monitoring Officer and were dealt with appropriately.

#### Parish & Town Councillors

7. The Monitoring Officer has received nine formal complaints against Parish & Town Councillors during the period 1st April 2010 to 31st March 2020. Most complaints received did not amount to breaches of the Code of Conduct.
8. Unfortunately, tensions at Hatfield Town Council remain and a number of serious complaints about behaviours have been made by both Members and employees of that Town Council. When the current Covid-19 restrictions have been relaxed a further investigation by the MO and his staff will be undertaken regarding a number of those complaints. Members of this Committee will recall the Audit Committee (Hearings Sub-Committee) which

took place during January 2019, when three Hatfield Town Council Councillors were censured as to their behaviour and had sanctions imposed against them as a result of that behaviour. Sadly those sanctions have not been complied with and similar behaviours as were ruled upon by the sun-committee appear to be continuing.

On a final positive note, I would reiterate my comments made in previous years that most Town & Parish Councils in Doncaster do not appear on my radar and that point should be noted by the Committee.

9. A detailed summary of all complaints dealt with by the MO in consultation with the IP during the 2019/20 Municipal Year is set out in **Appendix A** to this report.

### **General**

10. In previous reports, the Monitoring Officer and the Independent Person have expressed their frustration about the lack of sanctions available to us since the changes introduced by the Localism Act 2011. Monitoring Officers and commentators have long suggested that the return of a balanced standards regime with appropriate sanctions would provide Monitoring Officers with the ability to deal with issues they come across and would encourage complainants to share their issues in the knowledge that a satisfactory outcome was possible. I reported to this committee last year that the Committee on Standards in Public Life had published a supportive report and had recommended to Government that it was time to provide Monitoring Officers and “Standards Committees” with greater powers such as the power of suspension from office. I had hoped to report this year that those suggestions had been incorporated but sadly national events overtook any such plans and this has not yet found parliamentary time. It remains my hope that these developments will bear fruit and I will keep this Committee updated on any proposals which emerge.

### **Whistleblowing Returns for 2019/20**

11. The MO has overall responsibility for the maintenance and operation of the Whistleblowing Policy, which includes keeping a record of all whistleblowing cases and presenting a summary of these to the Audit Committee on an annual basis.
12. The Whistleblowing policy was revised in February 2018. This applied the policy to members of the public, stakeholders, and contractors as well as employees. Whistle blowers are asked to report their concerns to named senior officers. This ensured that senior management were aware of any matters and that the correct processes were followed and reported to the Monitoring Officer for the annual report.
13. We have had three whistleblowing matters during 2019/20 and the detail is below.

Date	Name of officer reported to	Brief Summary of Matter	Outcome
Dec 2019	Scott Fawcus	Concern over a payroll matter	Payments made were within the discretion of the

Jan 2020	Scott Fawcus	Safeguarding concerns about a DMBC facility	Council Investigation on-going
Jan 2020	Scott Fawcus	Concern about actions of a DMBC employee	No such staff member exists.

### **Anti- Money Laundering Returns for 2019/20**

14. Money laundering is the method by which cash or funds obtained illegally are passed or “laundered” through financial systems to disguise their criminal origin. The “laundered” funds can then be used for legitimate transactions that do not arouse suspicion. Where an officer suspects (or knows) that money laundering activity is taking place it must be reported to the Money Laundering Reporting Officer, who is the Monitoring Officer, who will provide advice as to whether or not to continue the transaction.
15. For the period April 2019 to March 2020 there have been no reports made to the Money Laundering Reporting Officer.

### **OPTIONS CONSIDERED AND REASONS FOR RECOMMENDED OPTION**

- 16 Not applicable – this report is primarily for noting.

### **IMPACT ON THE COUNCIL’S KEY OUTCOMES**

- 17.

<b>Outcomes</b>	<b>Implications</b>
<b>Connected Council:</b> <ul style="list-style-type: none"> <li>• Working with our partners and residents to provide effective leadership and governance</li> </ul>	The work of the Audit Committee in monitoring the Council’s ethical governance activities helps to: <ul style="list-style-type: none"> <li>• ensure that Council arrangements are open, accountable and ethically strong;</li> <li>• promote high standards of conduct;</li> <li>• build a ‘bond of trust’ between the Council and its communities.</li> </ul>

### **RISKS AND ASSUMPTIONS**

18. There are no identified risks associated with this report.

### **LEGAL IMPLICATIONS [Officer Initials...NC... Date...08/06/20]**

19. Section 27(1) of the Localism Act 2011 places a duty on relevant authorities to promote and maintain high standards of conduct by Members and Co-opted Members of the authority.
20. Section 28 of the Localism Act 2011 requires Principal Authorities to have in place arrangements for investigating allegations of Member misconduct (both Members of the Council and Parish/Town Councils in the Borough) and taking decisions on those allegations. It also requires Councils to appoint at

least one Independent Person who is to be consulted as part of the complaint handling process. The Council has in place arrangements for discharging these arrangements.

21. Whistleblowing protection for workers is provided in the Public Interest Disclosure Act 1998, incorporated into the Employment Rights Act 1996, and amended by the Enterprise and Regulatory Reform Act 2013. It gives protection from detrimental treatment of workers who disclose reasonable concerns about serious misconduct or malpractice at work. Workers are protected from detrimental treatment if their disclosure qualifies as a 'protected disclosure'. In order to ensure that they qualify for protection, the worker should follow a certain procedure as set out in our Policy.
22. The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 came into force on 26 June 2017. They implement the EU's 4th Directive on Money Laundering and replace earlier Regulations which were previously in force. A key difference with the new Regulations is that they require the adoption of a more risk based approach towards anti-money laundering. Whilst the new Regulations do not directly place specific responsibilities on local authorities in respect of money laundering, it is accepted best practice for the Council, as a guardian of public finances, to comply with the spirit of the legislation and put in place appropriate anti-money laundering safeguards.

#### **FINANCIAL IMPLICATIONS [Officer Initials...A Townsend Date...08/06/20.]**

- 23 There are no specific financial implications associated with this report.

#### **HUMAN RESOURCES IMPLICATIONS [Officer Initials RH Date 08.06.20]**

24. There are no specific HR implications in relation to the parts of this report which refer to complaints made against elected members and anti-money laundering returns.

Whistleblowing complaints which relate to the conduct of council employees are dealt with in line with the appropriate HR policy and procedure and any action taken, as appropriate, within the framework of the relevant policy.

#### **EQUALITY IMPLICATIONS [Officer Initials...SRF... Date...05/06/20.]**

25. There are no specific equalities implications associated with this report.

#### **BACKGROUND PAPERS**

Whistleblowing Policy  
Code of conduct for Councillor  
Anti-Money Laundering Policy

## **REPORT AUTHOR & CONTRIBUTORS**

Scott Fawcus, Monitoring Officer  
01302 734640  
Scott.fawcus@doncaster.gov.uk

**Scott Fawcus  
Monitoring Officer**