



Doncaster Council

Date: 8th July 2021

**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 2020 to 31st March 2021;
 - (ii) notes the whistleblowing return for 2020/21.
 - (iii) notes the nil money laundering reports for 2020/2021.

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. The Monitoring Officer has the specific duty to ensure that the Council, its Officers, and its Elected Councillors, maintain the highest standards of conduct in all they do. The main duties of the Monitoring Officer are set out below. The Monitoring Officer's legal basis is found in Section 5 of the Local Government and Housing Act 1989 (as amended).

The Monitoring Officer has three main roles:

1. To report on matters he/she believes are, or are likely to be, illegal or amount to maladministration;
2. To be responsible for matters relating to the conduct of Councillors and officers; and
3. To be responsible for the operation of our Constitution.

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 2020 to 31st March 2021

5. The Monitoring Officer works closely with the Councils 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 2011 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.

Revised Code of Conduct & Revised Complaints Handling Procedure

At its AGM on 21st May 2021, the Council resolved to adopt the new LGA Model Code of Conduct, which was drafted following recommendations by the Committee, On Standards In Public Life. The new Code remains based upon the Nolan Principles and aims to be a national code adopted by all tiers of Local Government. Members attended briefing sessions prior to adopting the Code and further training is currently being provided to all Doncaster MBC Councillors.

Following adoption by DMBC, the Monitoring Officer has written to all Parish & Town Council Clerks across the Doncaster area encouraging them to sign-up to the new Code and offering assistance to Clerks in relation to that adoption.

The Council also updated its Procedure on Complaint Handling and clarified that vexatious and informal complaints (complaints not provided on the prescribed complaint form) will not be considered.

Borough Councillors

7. During the period since my last report, **eight** complaints have been received in relation to Borough Councillors. Three complaints were not considered to be a breach of the code and the subject Councillors apologised for their actions, on that basis the MO and the Independent Person determined that no further action was required. Where complaints were not considered to be a breach of the Code the complainants were notified accordingly.

Parish & Town Councillors

8. The Monitoring Officer has received **nine** complaints against Parish & Town Councillors during the period 1st April 2020 to 31st May 2021. Two complaints received were, considered to be breaches of the Code of Conduct but the subject member had previously issued an apology in relation to the matter and thus further action was unnecessary. Where complaints were not considered to be a breach of the Code the complainants were notified accordingly.
9. On a final positive note, I would reiterate my comments made in previous years that the levels of complaints received and most importantly, the number of actual breaches remain very low, and most Councillors and most Town & Parish Councils in Doncaster do not appear on my radar and that point should be noted by the Committee. To put that in context there are 37 Town & Parish Councils across Doncaster and over 350 serving Councillors across Doncaster so the amounts of complaints received is proportionately extremely low.
10. A detailed summary of all complaints dealt with by the MO in consultation with the Independent Person during the 2019/20 Municipal Year is set out in **Appendix A** to this report.

Whistleblowing Returns for 2020/21

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. Not all complaints received are whistle-blowing reports, even where the complainant has cited them as such.

In accordance with the Council's Whistleblowing policy, complaints are assessed and either dealt with as Whistleblowing complaints or otherwise referred to the Council's Corporate Complaints process and investigated as part of that process.

The policy states as follows :-

"2.6 A way to establish whether an individual raising a concern is a 'whistle-blower' or a 'complainant' is to consider the nature of the concern.

• If the concern is about wrong doing and affects others, e.g. the general public and not just 1 individual, family or household, then you are likely to be a whistle-blower

• If the concern affects only yourself, your family or household and is not about wrong doing, then you are likely to be a complainant

9.1 (you will be advised if it is considered that the matter falls within the grievance or complaints or another procedure - the decision whether it falls outside of the whistleblowing procedure will be done in consultation with the Monitoring Officer and Assistant Director of Human Resources, Communications and Executive Office).

13. In accordance with its Policy the Council considered one whistleblowing complaint as detailed below.

Date	Name of officer reported to	Brief Summary of Matter	Outcome
March 2021	Chief Executive	Concern over staffing levels and working practices in a DMBC service area	Considered under a wider service review & an assurance provided to the Whistleblower on the issues raised.

Anti- Money Laundering Returns for 2020/21

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. The Council's Anti-Money Laundering Policy has been revised due to changes in the law in 2017 and the revised Policy is presented to the Committee as a separate report today. 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, and obtain advice and permission to continue the transaction.
15. For the period April 2020 to March 2021 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.

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

RISKS AND ASSUMPTIONS

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

LEGAL IMPLICATIONS [Officer Initials...NC... Date...25/06/21]

- 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.
- 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.
- 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.
- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 came into force on 26 June 2017. They implemented the EU's 4th Directive on Money Laundering and replaced earlier Regulations which were previously in force. 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

23 Financial implications were not requested in relation to this report.

HUMAN RESOURCES IMPLICATIONS [Officer Initials RH Date 25.06.21]

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...25/06/21.]

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

BACKGROUND PAPERS

Whistleblowing Policy
Code of Conduct
Anti-Money Laundering Policy

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