

Meeting:	Employment Panel
Meeting date:	Monday, 15 January 2018
Title of report:	Employee code of conduct
Report by:	Head of Human Resources and Organisational Development

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose and summary

To seek the views of the panel on a new employee code of conduct, including policies on political restriction, declaration of interests, gifts and hospitality.

The employee code of conduct sits within the council's constitution. Council has delegated its approval to the chief executive as head of paid service, and in exercising that function the chief executive must seek the views of the employment panel.

The employee code of conduct has been refreshed having regard to the design principles underpinning the constitution, and is intended to provide a clear statement to employees and the public, of the expected standards, and related processes.

Recommendation(s)

That:

- (a) the panel determine any recommendations it wishes to make to the chief executive regarding the draft employee code of conduct.**

Alternative options

1. There are no alternatives to the recommendations. The constitution requires the chief executive to consult with the panel on changes to employee terms and conditions including policies, and it is open to the panel to suggest amendments or clarifications to the draft code to inform the chief executive's decision-making.

Key considerations

2. The public is entitled to expect the highest standards of behaviour from council employees and members and the respective codes of conduct should set out in clear and unambiguous terms what those standards are. Both codes form part of the council's constitution.
3. The current employee code of conduct (at appendix 1) was adopted in 2012 and has remained largely unchanged. Audit and Governance Committee agreed a set of design principles which informed the wider review of the council's constitution. Those principles were that:
 - Members and officers perform effectively in clearly defined functions and roles
 - Maximise member engagement and participation, including the involvement of all members in the development of key policies
 - Decision making is informed, transparent and efficient
 - The council welcomes public engagement and makes accountability real
4. A review has been undertaken of the employee code of conduct which, in addition to having regard to the design principles, has sought to address the following:
 - the employee code clearly reflects the Nolan principles in respect of standards in public life
 - the employee and member codes align where appropriate, recognising the different functions and roles that members and officers have
 - the employee code reflects the council's agreed values
 - the employee code applies to all employees
 - establishing clear and consistent procedures across the whole organisation
 - the employee code is clear and easy to understand
 - compliance with the law and with best practice
5. A revised draft code is attached at appendix 2. A significant change from the current code is that the new policies on declaration of interests, gifts and hospitality, and political restriction now form an appendix to the code; these are attached at appendix 3. The inclusion of these policies ensures that all employees and the public are able to find, in a single place, information about the standards expected, the processes to be followed, and the implications of not adhering to those standards.
6. Employment panel is invited to comment on the proposed employee code and determine any recommendations it wishes to make to the chief executive.
7. It is intended that, once approved, the final document will be implemented from 1 April 2018. For any code to be effective it is essential that all employees are aware of the requirements of the code and work together to uphold the expected standards. A communications programme will be developed to launch the new code and to ensure both

managers and staff understand their respective obligations. From April 2018 the new code will form part of the induction process for all new starters.

8. The effectiveness of the new code will be monitored and action taken as necessary. The 2019 employee opinion survey will be used to assess how widely the new code has been communicated and how well it is understood by staff and managers.

Community impact

9. As set out in the code of corporate governance, Herefordshire Council is accountable for how it uses the resources under its stewardship, including accountability for outputs and outcomes achieved. In addition the council has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, we can demonstrate the appropriateness of all our actions across all our activities and have mechanisms in place to encourage and enforce adherence to ethical values and respect the rule of law.
10. A clear and effective employee code of conduct helps the council to uphold the code of corporate governance principle of "Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law".

Equality duty

11. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
12. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. The draft code ensures that all employees are given clear information about the standards of behaviour expected to support the council fulfil this duty.

Resource implications

13. There are no financial implications arising from the recommendations.
14. The resourcing of communication and training arising from the adoption of the new code will be met from within existing HR budgets.

Legal implications

15. The council must prepare and keep up to date a constitution in accordance with s37 of the Local Government Act 2000. The minimum requirements for the content are set out in The

Local Government Act 2000 (constitutions) (England) Direction 2000 which include the requirement of a code of conduct for local government employees.

16. The constitution does not form part of employees' terms and conditions of employment. The code of conduct is a policy document which all employees are reasonably required to adhere to.

Risk management

17. If employees are unaware or unclear of the standards of behaviour expected of them, the implications of not maintaining those standards, or of how to raise a concern if they feel those standards are not being met, the number of internal disciplinary actions and/or exposure to legal challenge will increase, along with the likelihood of financial and reputational risk to the council. The current code of conduct is not sufficiently clear and is not aligned to the Nolan principles; adopting a new code together with a communications and training plan will mitigate those risks.

Consultees

18. Audit and governance committee, which maintains an overview of the constitution, has established a constitution review working group which has also been consulted. As a result of this consultation the declaration of interests policy in appendix 3 has been amended to make it more consistent with the members' code of conduct.
19. Consultation with the trades unions through the joint partnership forum is running currently and comments from the trade unions will be considered before a final draft is produced.

Appendices

Appendix 1: current employee code of conduct

Appendix 2: draft employee code of conduct

Appendix 3: draft appendix to proposed employee code of conduct

Background papers

None identified.