

**ETHICAL STANDARDS FOR PROVIDERS OF PUBLIC SERVICES**  
**SUMMARY OF FINDINGS**

- 1.1 The purpose of this appendix is to provide the Scrutiny Panel with a summary of the initial findings of enquiries requested by the Panel in respect of the “Ethical Standards for Providers of Public Services – Guidance”, which has recently been published by the Committee on Standards in Public Life.
2. **BACKGROUND**
- 2.1 In June 2014, the Committee on Standards in Public Life (CSPL) carried out a research commission to establish how the Seven Principles of Public Life (the “Nolan Principles”) – honesty, integrity, accountability, leadership, openness, selflessness and objectivity – were being embedded into public service commissioning and contracting.
- 2.2 The outcomes of this exercise were published in 2015 and the key messages which were contained within this Report were incorporated into the attached guidance document “Ethical Standards for providers of Public Services – Guidance” (December 2015).
- 2.3 The document provides six suggested measures which could be expected of, implemented and embedded by providers of public services as follows:
- (a) Evidence of leadership commitment to ethical standards;
  - (b) Evidence of Board and individual responsibility for ethical standards;
  - (c) Evidence of internal control and accountability measures;
  - (d) Evidence of establishing an ethical awareness and capability in recruitment, induction, progression, training and professional development;
  - (e) Evidence of appraisal, promotion and reward procedures that take account of values and ethical behaviour; and
  - (f) Evidence of commissioner-provider and user-provider dialogue.
- 2.4 On behalf of the Members of the Scrutiny Panel, an initial fact-finding exercise has been carried out in consultation with the Heads of Audit and / or Monitoring Officers of the Authorities within the City Region, Merseytravel and the Combined Authority; to seek to establish the extent to which the Nolan Principles and the associated recommended measures contained within the aforementioned Guidance are embedded within their organisations.
- 2.5 Officers were asked to consider existing arrangements and ethical considerations within their governance arrangements, policy frameworks and processes.
- 2.6 A summary of responses is attached in Table 1 (below). The purpose of the summary is to enable Members to consider the breadth and scope of where ethical matters are considered across the organisations and to determine the next steps on this piece of work.

## Existing Measures / Considerations in respect of the Ethical Standards “Six Suggested Measures”- Consultation Summary

<b>Suggested Measure 1: Evidence of leadership commitment to ethical standards</b>	
Constitution	Subject to annual review and update
Protocol on Members / Officers Relations	Where appropriate
Code of Corporate Governance	To be reviewed in line with revised Guidance 2016
Annual Governance Statement	In accordance with revised Guidance 2016
Publication of Financial Statements	Accounts & Audit Regulations requirement
Vision / Mission Statement / Corporate Values	Available on website
Code of Conduct / Ethics Policy for Staff	
Code of Conduct for Members	Ref also LCRCA Audit Report 2015/16
<b>Suggested Measure 2: Evidence of Board and individual responsibility for ethical standards</b>	
Code of Conduct / Ethics Policy for Staff	
Code of Conduct for Members	Ref also LCRCA Audit Report 2015/16
Standards and / or Ethics Committee	
Audit Committee (or equivalent)	PSIAS Requirement
Scrutiny Committee (or equivalent)	
Information Governance Group / Board (or equivalent)	
Publication of Council Meeting Agendas and Minutes	Available on website
Role of External Audit	
<b>Suggested Measure 3: Evidence of internal control and accountability measures</b>	
Code of Conduct / Ethics Policy for Staff	
Code of Conduct for Members	Ref also LCRCA Audit Report 2015/16
HOLA Annual Report / Annual Audit Opinion	Annual requirement
Compliance with Public Sector Internal Audit Standards (PSIAS)	Mandatory requirement – External assessment required 5-yearly
Register of Gifts & Hospitality	
Register of Interests / Declarations of Pecuniary Interests	
Anti-Bribery Policy	
Anti-Corruption Policy	
Anti-Fraud Policy / Strategy & Counter-Fraud Plan	Compliance with CIPFA Code of Practice in Managing the Risk of Fraud & Corruption
Confidential Reporting (Whistleblowing) Policy	
Dignity at Work Policy (or equivalent)	

Corporate Risk Register	
Internal Audit work	Consideration of Ethical matters in Internal Audit reviews or specific planned audit work in relation to Ethics
<b>Suggested Measure 4: Evidence of establishing an ethical awareness and capability in recruitment, induction, progression, training and professional development</b>	
Recruitment Policy & processes	
Staff Training and awareness	
Staff Induction Processes	
Commitment to professional development / CPD	
<b>Suggested Measure 5: Evidence of appraisal, promotion and reward procedures that take account of values and ethical behaviour</b>	
Staff / Client Feedback Surveys	
Staff Incentives / Reward Schemes	
Corporate Complaints Procedures	
<b>Suggested Measure 6: Evidence of commissioner-provider and user-provider dialogue</b>	
Procurement Policies and Procedures / Contract Procedure Rules	Ref also LCRCA Audit Report 2015/16
Procurement Frameworks	
Legal Agreements / Service Level Agreements	
Corporate Complaints Procedures	
Public Consultations	
Publication Scheme	