

# Statement of ethical standards for employees

(Updated 16.05.2024)

## 1. Introduction

1.1 The County Council's reputation for acting with integrity is to a great extent measured by the way in which our employees conduct themselves with our customers, other organisations and each other. This statement sets out the ethical standards which must be upheld by all Council employees<sup>[1]</sup>. The standards are an important and integral part of the Council's [Code of Conduct for Employees](#) which sets all the standards of behaviour that the Council requires employees to comply with.

1.2 Our customers, the general public and external organisations are entitled to expect the highest standards of conduct from the Council and its employees. Public confidence in our integrity would be shaken were the least suspicion to arise that the Council or any employee could in any way be influenced by improper motives. Employees must therefore be aware that whilst social contact with persons who have business with the Council can be perfectly proper, care must be taken to ensure that contacts of this nature cannot be misconstrued.

1.3 Relationships such as kinship, friendship, membership of an association or club may give the impression to others that an employee might, when undertaking Council business, be acting from personal motives and have divided loyalties. The test is whether others would think the interest is of a kind to make this possible. Accordingly, where such relationships exist employees must be aware of their responsibilities under this Statement and, if they consider that any relationship might give such an impression, or if they are in any doubt, they must inform their line manager at once and, if necessary, make a formal declaration as required.

## 2. Application of the Statement

2.1 This Statement reflects relevant legislation and sets out the Council's expectations of all persons working for the Council. Whilst some of the issues addressed by this Statement are likely to affect senior, managerial and professional employees more than others, **all** employees and workers are covered by this Statement including those working in schools, employees seconded to other organisations or those working in companies wholly owned by the Council. The Statement applies to permanent, temporary and fixed-term employees and casual workers.

2.2 The Statement sets out standards that all employees must comply with. Council employees must conduct themselves at all times when undertaking Council business in accordance with the highest professional and ethical standards and the laws of all countries in which the Council does business.

2.3 On appointment (and when otherwise required by the Council) employees shall be required to confirm their acceptance of the provisions of the Statement as a fundamental term of their contract of employment with the Council.

2.4 Non-compliance with any of the provisions of this Statement will be regarded as misconduct and may result in action being taken under the Council's [Disciplinary Procedure](#). In some circumstances it may also result in criminal proceedings.

2.5 If you consider that other employees may be acting or have acted in breach of any of the provisions of the Statement then you **must** report this to your line manager or raise it through one of the other available procedures e.g. [whistleblowing](#).

2.6 You must not treat employees who report (or who intend to report or are suspected of reporting) potential misconduct any less favourably than other employees.

2.7 You must pay particular attention to these provisions if your role with the Council involves dealing with the award of any contracts by the Council or if you deal with any financial transactions, particularly where they are high value. You must also carefully consider the implications of any external activity that you may undertake (where that is permitted see paragraph 2.8) in addition to your employment with the Council.

2.8 You must not undertake any additional outside employment which is in conflict with your role as an employee. If you are paid above scp 19 on the Lancashire pay spine, or equivalent, you must seek permission prior to undertaking any additional outside employment – see the [Code of Conduct](#).

### 3. Anti-Bribery and Corruption

3.1 A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. This conduct is never acceptable.

3.2 It is not acceptable for you (or someone on your behalf) to:

(i) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;

(ii) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;

(iii) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;

(iv) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided in return;

(v) threaten or retaliate against another employee who has refused to commit a bribery offence or who has raised concerns under these rules; and

(vi) engage in any activity that might lead to a breach of paragraphs (i) to (v) above.

3.3 The penalties for committing an offence under the Bribery Act 2010 can be serious. Failing to prevent bribery can result in a fine. Offences of giving or receiving bribes can result in fines and/or up to 10 years' imprisonment.

## 4. Gifts, Hospitality and Sponsorship

4.1 The acceptance/giving of any gift or hospitality by an employee from/to a person (customer, potential customer, supplier, family member of an employee or any other person), who has or may seem to have dealings with the Council can be viewed with suspicion.

4.2 Although such offers may be made in perfectly good faith, employees must not accept or make offers where any suggestion of improper influence might arise. A gift or hospitality must not be able to be construed as a bribe nor must it seek to influence any decision or be contrary to any laws or regulations.

4.3 Any gift or hospitality should only be accepted where you are satisfied that any purchasing, planning or other Council decisions are not compromised. You should not put yourself in a position where your own integrity and the integrity of the Council may be called into question.

4.4 Gifts and hospitality should not be offered to or accepted from any existing or potential supplier or customer during a procurement exercise.

4.5 You should only accept a gift or hospitality where it is reasonable and justifiable and is on a scale appropriate to the circumstances, for example:

- A gift with a token face value of up to £25 given by way of trade advertising to a wide range of contacts (e.g. calendars, pens, diaries);
- The gift is not in the form of cash or securities;
- The gift or hospitality is a one-off and not repeated on a regular basis; and
- The gift or hospitality is given openly, not secretly.

4.6 You must seek prior approval, where possible, from your line manager before accepting any gift or hospitality that is estimated to be beyond a face value of £25.

4.7 You must declare all gifts and hospitality received or rejected that is estimated to be beyond a face value of £25. Guidance on how to make a declaration is available on the [council and democracy intranet site](#). The Director of Law and Governance will maintain a register of all declarations of gifts and hospitality. Your declaration should be completed within 10 days of the date of the gift or hospitality. The register will be open to inspection by Service Heads and other managers as appropriate. If you are seconded to an organisation then it is appropriate to use that organisation's forms and procedures in order to make this declaration.

4.8 You should always consider the benefit to you and the Council of declining a gift or hospitality. When a gift or hospitality has to be declined you should courteously but firmly inform those making the offer of the procedures and standards operating within the Council.

## 5. Financial, Personal and Pecuniary Interests

5.1 You should disclose any financial or personal interests that you feel conflict or might be seen as conflicting with the Council's interests, for example:

- acting as a school governor within schools maintained by the Council;
- involvement with an organisation receiving grant aid from the Council;
- membership of another public sector organisation;
- membership of a body exercising functions of a public nature;
- involvement with an organisation or pressure group which may seek to influence the Council's policies;
- involvement with an organisation or company that is doing business with the Council e.g. as a director;
- membership of a charitable body that has a relationship with the County Council;
- membership of the freemasons or any similar organisation.

5.2 Section 117 of the Local Government Act 1972 requires you to disclose any direct or indirect financial interest which you may have in any contract involving the Council. An interest is deemed to include a beneficial interest in a company, or partnership with, or employment by a person with such an interest. It extends to the interest of your spouse or partner. You must not accept any reward, fee, unauthorised commission, gift, present or payment for any work you perform for the Council other than your proper remuneration. Failure to declare such interests may be a criminal offence.

5.3 It is a requirement for a declaration of financial or personal interest for employees who are Grade 14 and above to be submitted on an annual basis, including a nil return where there are no interests to declare.

5.4 Guidance on how to declare a financial or personal interest is available on the [council and democracy intranet site](#). The register of interests will be open to inspection by Service Heads and other managers as appropriate, and a compliance monitoring report will be presented to senior management annually.

## 6. Compliance

6.1 Failure to comply with the principles and steps set out in this Statement may result in action being taken under the Council's [Disciplinary Procedure](#) and can lead to dismissal. Examples include, but are not limited to:

- (i) Failure to comply with the principles and steps set out in this Statement;
- (ii) Failure to report a suspected, or actual, instance of non-compliance with the principles and steps set out in this Statement;
- (iii) Failure to make, or falsification of, any declaration to the Council that the Statement requires you to make;
- (iv) Lack of attention or diligence on the part of managers that directly or indirectly leads to a breach of any provision of this Statement or a breach of the law;

(v) Direct or indirect retaliation against an employee who reports an actual, or suspected, breach of the principles and steps required by this Statement.

6.2 In addition to any disciplinary action that may be taken a breach of any of the provisions of this statement may also amount to a criminal offence. Offences under the Bribery Act 2010 may result in imprisonment<sup>[1]</sup>. Breach of the provisions of this Statement may also amount to a criminal offence under the provisions of s.117 of the Local Government Act 1972<sup>[2]</sup>.

## 7. Amendments to the Statement

7.1 The Council reserves the right to amend this Statement at any time as it thinks fit to ensure compliance with legislation or otherwise by giving employees not less than 28 days' notice of any change whereupon the provisions of the revised Statement will take effect as a fundamental term of the employee's contract of employment.

7.2 Should you require any clarification about the requirements of this Statement please contact your line manager. You can also obtain further advice from [AskHR](#).

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<sup>[1]</sup> See paragraph 3.3

<sup>[2]</sup> See paragraph 5.2

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<sup>[1]</sup> For the purposes of this Statement "employee" is defined in paragraph 2.1