To be submitted to the Council at its meeting on 25th September 2025

STANDARDS AND ADJUDICATION COMMITTEE – REFERRALS PANEL

15th August 2025 at 10.00 a.m.

Present:

Councillors Farren, Holland and K Swinburn

Officers in attendance:

- Eve Richardson-Smith (Deputy Monitoring Officer)
- Rachel Marshall (Executive Member Support Officer)

SREF.6 APPOINTMENT OF CHAIRMAN

RESOLVED – That Councillor K Swinburn be appointed Chair for this meeting of the referrals panel.

COUNCILLOR K SWINBURN IN THE CHAIR

SREF.7 DECLARATIONS OF INTEREST

There were no declarations of interest received in respect of any item on the agenda for this meeting.

SREF.8 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the remainder of the meeting on the grounds that discussion of the following business was likely to disclose exempt information within paragraph 1 of Schedule 12A of the Local Government Act 1972 (as amended).

SREF.9 COMPLAINT MO/05/2025

The panel considered the above complaint in accordance with the local standards arrangements.

The panel were given the opportunity to ask the Deputy Monitoring Officer any questions regarding the complaint and the Independent Person's views.

The panel was satisfied that the complaint met both Stage 1 and Stage 2 of the Assessment Criteria. The Panel fully endorsed the Independent Person's views in relation to the fact that all that was available was the councillors' assertions that there was nothing untoward and for a thorough internal audit investigation to be commissioned and conducted.

RESOLVED –

That, after having carefully considered the documents filed:

1. A breach of the Code of Conduct was proven in relation to one of the councillors due to them not having registered or declared on the register of interests their directorship in the community interest company at the time the ward funding was applied for, and that a written warning be given as to future conduct.

2. No further formal action be taken on complaint MO/05/2025 via the standards regime, as a full internal audit investigation was being undertaken, which was an appropriate resolution in the circumstances, so as not to duplicate work, dig deeper into the concerns raised and provide recommendations for a more effective and robust application process.

3. That further training be given to the three members concerned in respect of governance, and in particular their Register of Interests, due to the failure to declare their interest in the community interest company on the register of interests and/or on the ward funding applications.

4. That the following recommendations be forwarded to the internal audit team conducting the investigation and a copy of the final report to be circulated to the referrals panel for completeness:

    - That the investigation covers off: disproportionate allocation of ward funding, funding resulting in limited support for other local ward causes, lack of transparency and accountability of public funds, reputational risk to North East Lincolnshire Council and formulation of recommendations to add effectiveness, robustness, transparency and accountability to the ward funding process.
    - Ensure that the investigation inspects and interrogates the minutes from meetings of the community interest company in relation to any funding application discussions and decision-making.

- Given the tenable links between the community interest company and the ward councillors, consider the implications and what advice and steps could be taken for assurance around future ward funding and consider whether they should refrain from applying for ward funding via the community interest company until the investigation is concluded.
- That the allegations of ward residents being denied ward funding in favour of the community interest company in particular, are extremely concerning and serious and need to be thoroughly investigated.
- That consideration be given to encouraging members to award smaller amounts of ward funding money spread across a larger number of applicants.

There being no further business, the Chair declared the meeting closed at 11.00 a.m.