

Case summary

SBE case number	SBE06045
member	Councillor Lord Hanningfield
authority	Essex County Council
allegation	The member failed to withdraw from a meeting in which he had a prejudicial interest and failed to complete his register of interests.
date received	18 June 2009
date completed	10 November 2009
SBE outcome	The ethical standards officer found that the member failed to comply with the Code of Conduct, but in the circumstances of the case, no further action needed to be taken.

Summary

The complainant alleged that Councillor Lord Hanningfield, of Essex County Council, participated in council decisions that resulted in the Academies Enterprise Trust (AET), of which Councillor Lord Hanningfield was both patron and director, taking control of five secondary schools in Essex. It was further alleged that Councillor Lord Hanningfield failed to declare his association with AET at five public meetings held to discuss the future of secondary education in Colchester. The complainant also alleged that Lord Hanningfield had failed to register his links with AET in the council's register of interests.

Councillor Lord Hanningfield is the leader of Essex County Council.

In 2007 a federation of three academy schools in Witham and Hockley was created, under a scheme in which high-performing secondary schools act as sponsors to low-performing partner schools, enabling both high-performing and low-performing schools to become academies. An organisation was set up called the Academies Enterprise Trust (AET). The AET was set up as the operating division of the Greensward College Trust, Greensward College being the former name of the sponsor academy in the federation, now known as Greensward Academy.

Following the decision of the Department for Children, Schools and Families (DCSF) that the Greensward College Trust would sponsor the new academies, Councillor Lord Hanningfield was approached with a proposal that he become patron of the soon-to-be-established AET and agreed, although he stated that he had never expected that he would participate actively.

Documentation from Companies House showed that on 19 March 2008, Councillor Lord Hanningfield signed paperwork in respect of the AET, registering him as a director, at the time at which the AET was incorporated as a private limited company on 19 June 2008. When the company was later registered as a charity in August 2008, Councillor Lord Hanningfield was listed as a trustee.

On 28 January 2009, Councillor Lord Hanningfield amended his register of interests to include his patronage of the AET, but did not include any reference to his role as a director or trustee.

Councillor Lord Hanningfield told Standards for England that he had not registered his patronage straight away because he had not at first been aware of the need to do so. When asked why he had not included his role as director of the AET, he told the investigator that he had not been aware of it until very recently. Although he had signed the form consenting to be a director of the Trust, he stated that he did very little of his own paperwork and relied on people providing him with the correct forms when his signature was required.

David Triggs, the AET's chief executive, stated that all communications with Councillor Lord Hanningfield had only been in relation to him becoming a patron, and that it was not clear how or why he had been registered as a director. He also confirmed that Councillor Lord Hanningfield had received no payment from the AET – he was not paid any sort of salary and had claimed no expenses. Neither had he attended any board meetings. None of the AET's documents refer to him in any other capacity than patron.

In August 2009, following the complaint about his conduct in relation to his role with the AET, Councillor Lord Hanningfield resigned as both patron and director.

In May 2008 and June 2009, Councillor Lord Hanningfield attended cabinet meetings relating to the proposals for the Witham and Hockley academy federation. He declared a personal interest as a patron of AET, and remained in the room while the matter was discussed, as someone with a personal interest is entitled to do under the members' Code of Conduct.

During 2008 and 2009, Councillor Lord Hanningfield had attended and chaired a number of public meetings about proposed changes to secondary

education in Colchester. One of the proposals was to close a local arts college and re-establish it as an academy. However, witnesses told Standards for England that there had never been any intention for AET to be its sponsor.

In September 2008, the DCSF, in consultation with senior officers, decided to appoint AET as the sponsor for another proposed academy in Clacton-on-Sea. Councillor Lord Hanningfield played no part in this decision.

Councillor Lord Hanningfield signed an expression of interest document in the Clacton proposal in November 2008 to create the Clacton Coastal Academy. The ethical standards officer considered that this was not inappropriate, given his status as cabinet member for schools and early years.

The ethical standards officer took into account that the funding arrangements between the DCSF and academy sponsors do not allow the sponsor to profit financially from their management of schools, and this was also reflected in AET's memorandum of association, which confirms that the income and property of the Trust cannot be used to benefit any of its directors.

The ethical standards officer noted Councillor Lord Hanningfield's explanation that he had not initially appreciate the need to register his patronage and that he had not known that the forms he had signed for AET authorised his agreement to become a director and trustee. However, it was ultimately Councillor Lord Hanningfield's own responsibility to know the full range of interests he needed to register and to record them accordingly, and although the ethical standards officer accepted that Councillor Lord Hanningfield relied heavily on others in respect of the forms he had signed, she did not consider that this excused him from the need to register his status as a director and trustee of AET. Therefore she found that Councillor Lord Hanningfield's failure to register his patronage of AET on time, and his failure to register his directorship at all, were technical breaches of the Code of Conduct.

With regards to Councillor Lord Hanningfield's participation in meetings relating to proposals for academy schools while a patron and director of AET, the ethical standards officer found no evidence that he had acted improperly. He declared his personal interest as a patron, and so was clearly not attempting to conceal it. The public meetings that he had chaired were not meetings of the council as defined by the Code, which meant that he was not, in any case, required to declare interests at all in those instances.

Councillor Lord Hanningfield did not stand to gain financially from any decisions made at the cabinet meetings at which he was present, and as a councillor he was not responsible for appointing or recommending the sponsor for the proposed academy schools: this was in fact the role of the DCSF.

Consequently, the ethical standards officer found that the only breach of the Code that had occurred was the failure to register interests correctly. These breaches were not intentional and there was no evidence to suggest that Lord Hanningfield had ever attempted to conceal his interests deliberately. Consequently she found that no further action was necessary.

relevant paragraphs of the Code of Conduct

The allegations in the case relate to paragraphs 6(a), 9, 12 and 13 of the Code of Conduct.

recommendations

Ends.