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A great deal has happened since the last *Bulletin*. We submitted our recommendations for a revised Code of Conduct to the government in September. Further details on our proposals can be found in this newsletter, and we eagerly await the government's response.

We expect at the same time the government's decisions on recommendations from the Committee on Standards in Public Life and the parliamentary select committee on the Office of the Deputy Prime Minister, covering the future direction of The Standards Board for England within the wider ethical framework. We hope to bring you a full report on all these issues in the next edition of the *Bulletin*, which will arrive early in the new year.

Also in September, we hosted our Fourth Annual Assembly of Standards Committees and followed this by attending the party conferences of the three main political parties (see stories on page 3 and 4 for details). The feedback we have received from all of these events has helped us to assess our performance, both over the past year and throughout our existence. We will use it to guide our future work programme as we continue to transform ourselves into a strategic regulator focusing on enabling authorities to take control of the ethical agenda.

David Prince, chief executive

Government considers Code review

The government is considering recommendations from The Standards Board for England for a clearer and more positive Code of Conduct, following consultation on the review of the Code earlier this year. An announcement is expected from the government towards the end of November — slightly later than originally anticipated.

We presented our key recommendations to local government minister Phil Woolas MP at the Fourth Annual Assembly of Standards Committees in September. The recommendations are the outcome of four months of consultation on the review of the Code conducted early this year, to which we received over 1,200 responses. We also talked to nearly 1,000 monitoring officers and standards committees during a series of 11 roadshows. Consultation closed in June and we reported the early findings in the last issue of the *Bulletin*.

We recommend that the government seeks ways to clarify the Code and simplify it wherever possible. There is a particular need to clarify and reframe the rules around declarations of interests. It is also important to ensure that the Code is seen in a more positive light as promoting effective local governance, rather than merely being a list of prohibitions on certain activities. We believe the Code should, where possible, be written as a positive, rather than negative, statement. Specifically, we recommend that the government includes the ten general principles as a preamble to the Code.

Declarations of interests

One of our key findings is that the framework for declaring interests needs to be addressed urgently. We believe the public has a right to expect decisions to be made for the public good and not simply to serve a vested interest. However, it is clear from consultation that councillors have too often felt excluded from discussing issues in which they have a legitimate interest and where the public would expect them to represent the views of their communities. We think the Code should exclude councillors from taking decisions only where they or their close associates gain an unfair advantage, allowing them to participate where they are acting in their role as representative or advocate.

Whistleblowing

Our other key concern is amending the Code to reduce the potential for politically-motivated and trivial complaints. We have already made great strides in this direction, and think the message that we will not entertain such complaints is now well understood. Nevertheless, we propose that, as a further strategy to address this issue, the current duty of members to report breaches of the Code by fellow members is removed.

We believe the existing provision, designed to protect members who blow the whistle on colleagues' behaviour from intimidation, has failed to achieve its aim. A specific provision making it an offence to seek to intimidate complainants and witnesses would provide the protection originally sought by the provision and allow members to come forward where they have serious concerns.

Disrepute and private conduct

We also recommend that certain aspects of a member's private life continue to be viewed as capable of bringing the authority into disrepute. The Committee on Standards in Public Life, in the report on their Tenth Inquiry, recommended that this provision be restricted solely to public life, but this view was not supported by the consultation. We believe there are certain unlawful activities which, although not carried out in an official capacity, would still damage the public's perception of that member's fitness for office. For this reason, we think that unlawful activities should continue to be within the jurisdiction of the Code of Conduct. This would also be consistent with the eighth general principle which states that a member should uphold the law at all times.

Confidential information

We believe that a greater balance needs to be struck between the proper need for an authority to protect confidential information and the member's right to make information available in the public interest. This is particularly important in the light of the *Freedom of Information Act*. The Code needs to be clearer that there are times when it is legitimate to raise concerns and release information which has been deemed confidential. We believe there should be an emphasis in local government on openness in order to ensure proper public accountability and the Code should reflect this.

Bullying

We think a specific provision is needed to address the rare but serious incidents of bullying. Councillors have a right to challenge and question advice and decisions but in certain cases the line between appropriate behaviour and intimidation and humiliation has been crossed. Such behaviour should not be tolerated and we are committed to working with all in local government to stamp it out.

We have been successful in dealing with cases of bullying to date but believe that such cases are particularly concerning because of the characteristics they share. While the Code already says that members should treat people with respect, we believe it could make a much clearer statement that bullying behaviour will not be tolerated in a modern workplace.

A Code for the future

The decision on what changes will be made to the Code is now in the government's hands. We have told the minister that we are keen to proceed with a revised Code of Conduct as soon as possible. We think it is particularly important to address the provisions relating to personal and prejudicial interests, which are currently seen as inhibiting members from carrying out their proper role as community advocates. This issue needs to be addressed urgently if the Code of Conduct is to better serve the government's vision for effective local democracy. We look forward to working with the Office of the Deputy Prime Minister on the revised Code.

Key recommendations

- The Code should be simpler, more enabling, and owned by members.
- The Code should empower members as community advocates.
- The rules around personal and prejudicial interests should be clearer.
- The Code needs to be clear on what information should be confidential.
- Private behaviour should be regulated only when it seriously damages the reputation of local government.
- Bullying cannot be tolerated and needs to be addressed more explicitly.
- The current duty for members to report breaches should be removed.
- The Code should protect complainants and witnesses from intimidation.

A full summary of our recommendations is available on our website, along with a report on the independent analysis of consultation responses carried out by Teesside Business School:

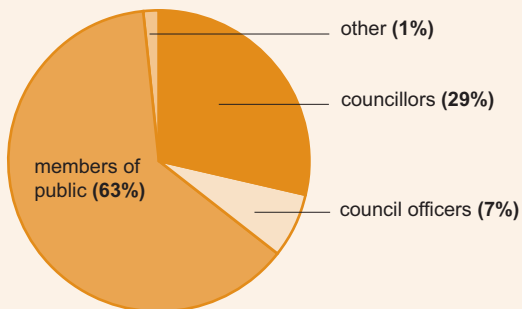
www.standardsboard.co.uk/codereview/

Referral statistics

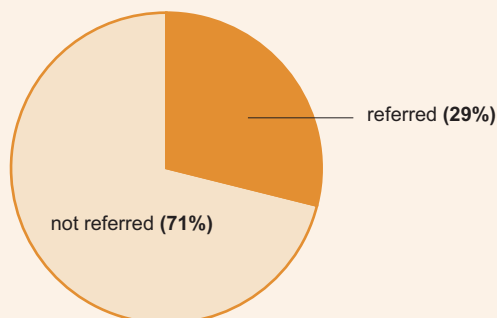
The Standards Board for England received 309 allegations in June, 321 in July, 374 in August, and 293 in September, giving a running total of 1931 for the current financial year.

The following charts show The Standards Board for England's referral and investigation statistics for that period.

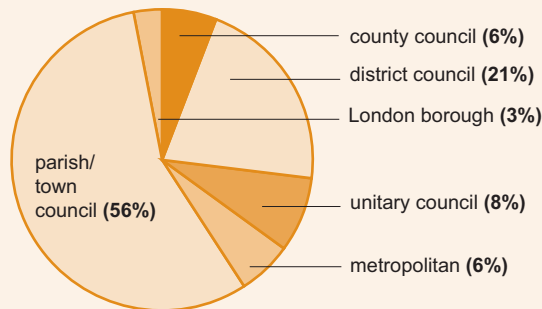
Source of allegations received



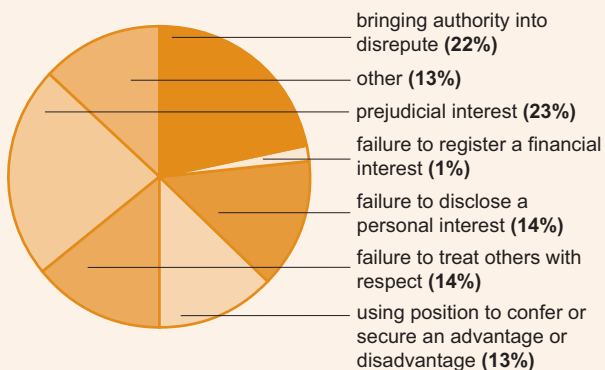
Allegations referred for investigation



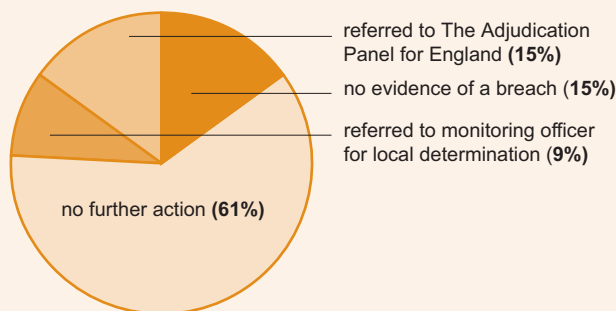
Authority of subject member in allegations referred for investigation



Nature of allegations referred for investigation



Final findings



Party conferences respond well to Code review

The Standards Board for England attended all three main political party conferences this autumn, taking the opportunity to talk to delegates — including many serving councillors — about the review of the Code of Conduct and the increasingly local focus for investigations and hearings. We were also keen to reiterate the message that we are not interested in being used as a weapon in political skirmishes between members. Feedback from delegates was largely positive, particularly in response to our recommendations for a clearer, more positive Code of Conduct.

Liberal Democrat focus

We were the subject of much debate during the Liberal Democrat conference. One of their main policy motions called for the abolition of the Board in its present form. The conference rejected overwhelmingly a motion to abolish the Board unconditionally, but approved the

policy which would see the Board replaced by a more strategic organisation overseeing a clearer Code of Conduct. This is, of course, broadly the direction in which we are already travelling. With local investigations taking root and the Code review almost complete, you will see us taking an increasingly more strategic approach to our work over the coming months and years.

Also at the Liberal Democrat conference, Roger Taylor, one of our Board members, took part in a fringe event hosted by the Association of Liberal Democrat Councillors. He told the audience that the reputation of local government has suffered, and continues to suffer, as the result of the behaviour of a minority. He argued that the need for the Code of Conduct and Standards Board is unquestionable, and the present reforms, including the review of the Code, are essential to ensure that authorities are able to take ownership and responsibility for improving standards.

Fifth Annual Assembly of Standards Committees

The Fifth Annual Assembly of Standards Committee will be held on 16 and 17 October 2006, and will once again be at the International Conference Centre, Birmingham. Marketing for the event will begin in the New Year. This year's conference was fully booked and we had to turn people away, so make sure you book early to avoid disappointment!

Standards conference a hit with delegates

A record 800 delegates travelled from across the country to attend this year's Annual Assembly of Standards Committees in Birmingham, and with 98% expressing their overall satisfaction with the event, it can safely be said to be another resounding success.

Delegates included around 200 monitoring officers, 200 independent members, and a range of other standards committee members (including councillors), chief executives and council leaders. The two-day conference included a wide variety of sessions covering local investigations, standards committee hearings, and some of the wider issues of the ethical framework.

A large proportion of conference materials is still available on our website, including the conference programme, several plenary speeches, session slides, handouts and newsletters. For those who were unable to attend the event, the third issue of the newsletter may be a good place to start as it includes an overview of the sessions and a roundup from our chief executive, David Prince.

www.standardsboard.co.uk/inyourhands/

Focussing on what's important

The Annual Assembly is the only event in the local government calendar that allows such a wide range of practitioners to come together to debate issues relating to the ethical agenda. It is evident from the feedback that delegates really value the opportunity to network and share experiences with colleagues from across the country.

However, looking forward, one of the key challenges delegates identified in their feedback was how the conference could evolve to continue to meet the learning and information needs of a diverse and discerning audience. With delegates ranging from experienced monitoring officers to newly appointed independent members, the audience for our conference is of a considerable size and variation, and delegates come to the event with varying degrees of knowledge and levels of interest in topics.

Of course, we would prefer not to exclude delegates from sessions, as experience has shown us that this can generate feelings of isolation and a sense of missing out among other groups. So, taking all this on board, next year we hope to build a programme of sessions designed around the different needs of our audience.

In practice, this will mean promoting individual conference sessions as 'primarily aimed at' certain types of delegate. We may describe a session as 'particularly relevant to independent members', for example, or 'most appropriate to those new to the Code and ethical framework'. This approach will enable delegates to make an informed choice about the sessions that are most likely to meet their needs and suit their level of knowledge and expertise without excluding others.

We continue to appreciate any feedback or comments on the Annual Assembly, particularly concerning how we can best meet the needs of our stakeholders. So if you have any thoughts for next year's event, please contact our conference organiser, Clare Stephenson, at clare.stephenson@standardsboard.co.uk.

Ethics in local authorities explored

A team at the University of Manchester is conducting research into what components contribute to an ethical local authority. The research, commissioned by The Standards Board for England, will draw on good practice both nationally and internationally and, importantly, on your experiences as practitioners in local authorities.

The report on the Tenth Inquiry of the Committee on Standards in Public Life placed a great deal of emphasis on the importance of embedding the principles of public life in public organisations. We want to know how this goal might be achieved. A number of factors will be investigated, including mediation, communication, training, the development of protocols, the role of standards committees, the importance of leadership, and the role of ethics in corporate governance.

The first stage of the project, now complete, involved a literature review to develop a model of the components that make up an ethical environment and how these components relate to each other. The model will then be tested and developed further via case studies, in the context of the challenges regularly faced by local public bodies today.

The research team has set up a special website where you can get more information on the project and take part in a brief survey:

www.ipeg.org.uk/Standards.htm

The research will be completed in December 2005. We will publish a summary of the findings on our website and report back in a future issue of the *Bulletin*.

Survey sets benchmark for public confidence

Research by MORI into the public's perceptions of ethics in local government has found that most people have a higher opinion of local councillors than politicians generally, but trust is still low. And while most people have never complained about a councillor, one in ten has wanted to.

The Standards Board for England commissioned MORI to investigate the public's perceptions of ethics and attitudes towards local government. The research will help us to establish benchmarks against which we can monitor the success of our work in increasing public confidence in local democracy.

Initial findings

MORI asked over 1,000 members of the public about their views on local government. It found a mismatch between what people regard as important roles for councillors and the perception of what councillors actually do. For example, 54% of those surveyed think it is important for councillors to make sure that public money is spent wisely, but only 21% think most or all councillors in their area do so. 39% think councillors should fulfil election promises, but only 15% think most or all councillors do.

The survey found that people are interested in local issues and want to engage with their local area but are not always certain what they can do in practice. It also revealed a lack of understanding about the work of councillors and low levels of contact with elected members — only one in seven people have met a local councillor within the last six months.

If people ever do need to complain, they are most likely to want an independent body to deal with it (46%), compared with their local council (28%) or an MP (13%). The three most important factors when making a complaint are knowing that it will be dealt with thoroughly, that the investigation will be independent, and that the complainant will be kept informed.

A summary of the findings will be published on our website in the near future.

Monitoring officers to be notified of all referral review decisions

Monitoring officers and members named in an allegation will be notified of the outcome of referrals challenges, along with the complainant, following an amendment made to the Board's policy earlier this year. The relevant clerk will also be notified if the allegation concerns a parish councillor.

Complainants can request a review of a decision made by the Referrals Unit not to refer their complaint for investigation by writing to the chief executive of The Standards Board for England. The decision to inform monitoring officers, subject members and clerks of the outcome of the review is in response to feedback. Previously, these parties would have been informed only if the original decision was overturned and the complaint was referred for investigation.

The Board has also clarified that only the complainant may seek a review of a decision. Other parties who may also disagree with the decision cannot request a review but can lodge a fresh complaint if they believe they have anything new and material to add to the allegation.

Revised scheme

The new policy forms part of an amended Scheme of Delegation, which sets out the chief executive's powers to review a decision made by the Referrals Unit not to refer a complaint for investigation. The amended scheme makes it clear that the main purpose of the review process is to consider whether a decision not to refer a complaint should be changed and the complaint investigated. The chief executive (or delegated officer when the chief executive is unavailable) will consider whether the decision on a complaint was procedurally sound. For instance, was it based on a proper understanding of the allegation on the information available at the time, and did it go through the proper checking and sign-off procedures? They will also consider whether the decision reached was reasonable, regardless of whether they would have reached the same conclusion.

Local investigations statistics

Ethical standards officers had referred 253 cases to monitoring officers for local investigation as of the end of September 2005 — equivalent to 32% of all cases referred for investigation since local referrals began in November 2004. In recent months, over half of all cases have been referred locally, and this trend looks set to continue.

74 reports have already been received from monitoring officers, and there have been 51 standards committee decisions on cases investigated locally. In

28 of those cases, it was decided that the member had not breached the Code of Conduct. In the other 23 cases:

- 12 members were censured;
- 1 was suspended for 1 month;
- 1 was suspended for 3 months;
- 3 were required to make an apology and undergo appropriate training;
- 6 had no sanction imposed.

Board changes

Professor Alan Doig and John Bowers have ended their terms of office as Board members with The Standards Board for England. Both have served since the organisation's formation in 2001. They contributed to our development during the difficult early years when we were dealing with untried and incomplete legislation, and have overseen the improvements in our performance in more recent times. Their expertise and considered contributions will be sorely missed.

The Office of the Deputy Prime Minister, which is responsible for board member appointments, has advertised the vacancies and we will let you know about their replacements as soon as they are announced.

New Case Review covers confidential ruling

The landmark ruling by The Adjudication Panel for England in the case against Councillor Dimoldenberg of Westminster City Council is examined in the latest volume of the *Case Review*, clarifying the Code's position on confidential information.

Other chapters explore The Standards Board for England's referrals process and criteria, national trends

emerging in local determinations, and the implications of several recent High Court challenges.

The *Case Review* is The Standards Board's annual review of case-related issues and developments, in which we investigate the key themes and topics in local government ethics. Each edition uses case examples drawn from our experience of conducting investigations and providing advice and guidance to pose questions, suggest some answers, and spark debate.

A copy of the publication was sent to all monitoring officers in September and was included in conference packs at the Fourth Annual Assembly of Standards Committees. Additional copies are available at a cost of £15 each. To place an order, call 0845 078 8181 or write to publications@standardsboard.co.uk.

Past issues at bargain prices

We also have limited copies of previous editions on special offer. Issue 1 includes a paragraph-by-paragraph analysis of the Code of Conduct, while issue 2 examines the role of the Code of Conduct in members' private lives, the boundaries of political debate, and prejudicial interests. These publications, normally priced at £20 and £15 respectively, can be purchased together for the total price of £20 while stocks last.