

County Council

1 August 2007

Standards Committee Annual Report 2006/07



Report of Mr Eddy Marchant, Independent Chairman of the Standards Committee

Purpose of the Report

1. To reflect and report on the work of the Standards Committee during 2006/07.

Background

2. The Local Government Act 2000 established a new ethical framework for local government which included a requirement for every principal authority to establish a Standards Committee.

3. Under this Council's constitutional arrangements the Standards Committee comprises six Elected Members and two Independent Members.

The inclusion of Independent Members is mandatory and was seen by the Government as an essential element to underpin the public's perception of the effectiveness of a Standards Committee and the maintenance of high standards of conduct within a council as a whole.

The Role of the Standards Committee

4. Above and beyond the specific functions around standards of conduct by Members which the law prescribes, the Council has established a wider role for its Standards Committee, briefly summarised as follows:

- Promoting and maintaining high standards of conduct by Members, assisting them to observe the Code of Conduct, monitoring the Code's operation and advising the Council on any necessary revisions;
- Advising and arranging on behalf of the Council any relevant training for Members in relation to the Code's requirements;
- Exercising any functions from regulations made under the Local Government Act 2000 – for example, determining locally allegations of misconduct referred from the Standards Board for England;
- Dealing with any alleged breaches by a Member of other relevant Council Codes and Protocols;
- Overseeing the probity aspects of both internal and external audit;

- Overseeing the Officer Code of Conduct and the Council's Confidential Reporting Code; and
- Overseeing the Council's complaints handling arrangements and performance.

5. This broader remit presents the Committee with the opportunity to make a much more meaningful, proactive and positive contribution to the work of the Council.

The Standards Board for England

6. The 2000 Act also established a Standards Board for England to ensure an independent process for investigating instances of unethical conduct by local authority Members, including any allegations that a Code of Conduct had been breached.

7. In its early years of operation the Board focused on both building awareness, understanding and partnerships and dealing with allegations of misconduct. The Board believes the Code of Conduct is now firmly embedded at a local level and previous MORI research shows that the overwhelming majority see it as essential in maintaining high standards in local government.

8. In 2006/07 the Board received 3,549 allegations against Members, compared to 3,836 in 2005/06 and just over 3,500 in the previous year. The proportion of allegations from the public was 62%, 31% came from councillors, 5% from council employees and 2% from other sources.

9. 19% of the allegations received were referred for investigation, representing a continuing downward trend. Parish Council Members accounted for 42% of the allegations referred for investigation, whilst for County Council Members the figure nationally was 4%. The nature of allegations referred for investigation were as follows:

- Bringing authority into disrepute (24%)
- Prejudicial interest (25%)
- Failure to treat others with respect (12%)
- Failure to disclose a personal interest (11%)
- Using position to confer or secure an advantage or disadvantage (12%)
- Disclosure of confidential information (4%)
- Other (12%)

10. It is important to put all of these figures into context. Of the 3,549 allegations received in 06/07, in 93% of the cases the Standards Board found that either no further action was necessary or there was no evidence of a breach of the Code. Of those matters referred for local determination there were findings of a breach of the Code in 238 cases.

11. In this Authority, there have been 20 allegations against Members lodged with the Board in the six years since its inception, 3 of which occurred in 2006/07. In all but two of these 20 cases the Board decided that either the allegation need not be investigated or following investigation no action needed to be taken. One case was referred to the Monitoring Officer for local investigation and the other is still ongoing.

12.. Regulations made under the 2000 Act provide the Standards Board with two alternative methods of dealing with complaints about Member misconduct in addition to the National Adjudication Panel.

13. Cases investigated by the Board's Ethical Standards Officers can be referred to Local Standards Committees for determination.

14. Alternatively, cases can be referred directly back to the Monitoring Officer for local investigation and subsequent determination by the Local Standards Committee. In both cases, the regulations make sanctions available to the Local Standards Committee.

15. Based upon guidance issued by the Standards Board, we previously agreed our own Local Procedures for both investigation and determination and key Members and officers have been made familiar with the necessary requirements. One such case was referred during the year from the Standards Board for local investigation and the subsequent determination of the Standards Committee was that the Member concerned had not failed to comply with the Code of Conduct.

The Local Government and Public Involvement in Health Bill and the future

16. Members might recall from our report last year that the Board remained committed to the purpose of increasing public confidence and envisaged the need for local authorities and Standards Committees to take greater ownership of the ethical agenda, and embed the principles of ethical conduct into their culture. Measures to achieve this have been included in the Local Government and Public Involvement in Health Bill currently before Parliament and on course to become law by autumn 2007. Local authorities' Standards Committees will assume responsibility for the initial assessment of misconduct allegations, commonly referred to as the local filter arrangements and as such the local resolution of complaints may be facilitated. We have long advocated such an approach to enable where possible a much speedier, cost effective and less bureaucratic approach to complaints handling.

17. It will be mandatory for Standards Committees to be chaired by Independent Members and there will be a potential for them to work jointly together. In this context the Standards Board for England will assume the role of strategic regulator and will provide local authorities with the help and guidance needed to fulfil their increased responsibilities. With the Monitoring Officer and her staff we have begun the process of planning for the Committee's extended role.

18. The Bill also contains provisions in relation to local government employees. It will amend the Local Government and Housing Act 1989 so Standards Committees will assume the role currently undertaken by the Independent Adjudicator with regard to exemptions from political restrictions. An additional clause will enable the Secretary of State to make an order in relation to the maximum pay of political assistants.

The New Code of Conduct for Members

19. The County Council's new Code of Conduct was adopted on 28 June 2007. It reflects the revised Model Code of Conduct published by the Government which came into force on 3 May 2007. It was designed to put in place a clearer simpler and more proportionate code of conduct for local authority members and includes changes to the rules on personal and prejudicial interests to remove barriers to councilors speaking up for their constituents or for public bodies on which they have been appointed. The revised code was informed by responses to a consultation exercise which Communities and Local Government undertook earlier this year. A joint Standards Committee meeting of the County Council, Fire and Rescue and Police Authorities was held in March to determine our response to the consultation. In these circumstances we recommended that the County Council adopt without amendment the Model Code of Conduct as its own local Code. Training events focusing on the new Code were held for Members on the 12 and 17 July. For those Members who were unable to attend these two sessions further familiarisation opportunities will be offered.

20. For Members, the Code continues to provide a single point of reference in terms of their responsibilities:

- General obligations
- Personal and prejudicial interests
- Disclosure of interests
- Participation in relation to disclosed interests
- Treatment of gifts and hospitality

21. In signing their Declaration of Acceptance of Office, Members undertake to observe the Code as to the conduct which is expected of Members of the County Council.

22. Members are urged to continue to be vigilant towards their responsibilities in this respect. If any Member ever has doubts or uncertainties about a particular aspect of the Code or their own personal circumstances they should

seek advice from either Lesley Davies (Monitoring Officer) or Linda Walker (Deputy Monitoring Officer).

Training, Guidance, Awareness and Liaison

23. A core element in the Induction Programme for all Members is familiarisation with the Ethical Standards Framework in general and the particular responsibilities of the Code of Conduct. As and when any key elements of the Framework are further developed suitable training and awareness will be delivered. Members are also regularly reminded about their responsibilities under the Code.

24. To illustrate this commitment, arrangements were made for an Ethical Standards Training Event in September 2006. The event provided the opportunity for all Members to examine potential problem areas of the Code with an expert external facilitator and for the Standards Committee Members it also addressed specific issues around local investigation and determination of complaints. Standards Committee Members also had the opportunity to attend similar training events in neighbouring authorities.

25. Key events hosted by the Standards Board and other relevant organisations have been attended in order to keep abreast of new developments and to learn of the experiences of other authorities. This important and at the same time selective approach will continue in future. Perhaps the most prominent of these events is the Standards Board Annual Assembly of Standards Committees which we attend with colleagues from the Fire and Police Authorities and a comprehensive delegate report is produced afterwards for the benefit of all Members. All relevant guidance issued by the Standards Board is always distributed to all Members.

26. We have established a practice whenever appropriate of joint meetings with the Fire and Police Authority Standards Committees because much of our business is common and that particular approach will continue. The partnership has been further extended by combined attendance at training and other events.

27. A Monitoring Officers' Group of the principal authorities within the County exists to share experience, develop consistent approaches to particular issues and offer one another support. Regionally, the Association of Council Secretaries and Solicitors and the Northern Secretaries Group regularly feature Ethical Standards issues on their agenda and Chairs of Standards Committees and Monitoring Officers are invited to join meetings as and when appropriate.

What Makes an Ethical Authority

28. I refer to my earlier comments on the Local Government and Public Involvement in Health Bill and the Government's endorsement of the Standards Board's view that Monitoring Officers and Standards Committees need to become more central, not only in investigating but also in promoting and

championing high standards, and ensuring that standards become embedded as an intrinsic part of an authority's culture.

29. During the course of the year we initially examined the potential use of diagnostic toolkits developed by and for the Board, the IDeA and the Audit Commission to identify the components of an ethical environment and then provide an effective practice guide to develop and maintain such an environment. There are clear links in this to the increasing importance of governance and standards in the Comprehensive Performance Assessment Process.

30. Subsequently, in April this year our External Auditor (the Audit Commission) undertook an ethical standards self assessment survey of Members and Senior Officers to assess levels of awareness and understanding. We are now awaiting an analysis and comparator report for further consideration and possible action plan.

Local Protocols

31. The County Council has adopted the following local protocols as additional guidance for Members:

- Member/Officer Relations
- Planning and Lobbying
- Use of IT

32. Enforcement of these Protocols rests with the County Council which delegates overview of that responsibility to the Standards Committee. In the interests of consistency and fairness, the same procedures apply for local investigation and hearings into alleged breaches of these local protocols as is the case for Standards Board referrals. As yet, there have been no alleged breaches which have necessitated the use of these procedures.

Complaints Handling within the Council

33. Over the last 3 years the Committee has developed a much more comprehensive reporting regime for complaints handling within the Council.

34. We receive quarterly reports which provide basic statistics, results against corporate performance targets, any relevant trends and details of levels of satisfaction. In addition, individual Services provide detailed information on the nature of complaints received, remedial action taken where necessary, including steps to prevent re-occurrence, and how the intelligence gained from complaints is used in future service planning and delivery.

35. If necessary, Complaints Officers from Services are available to us to discuss points in even more detail and we also regularly examine a percentage of completed complaints files in order to satisfy ourselves of the robustness of the process being followed.

36. Whilst we now take a very active interest in complaints handling, we always try to do so in a supportive manner towards Services, with the emphasis on the opportunities which complaints bring to learn and improve and to inform Services of any issues that are particularly important from a Member perspective.

37. In 2006/07, the Council received a total of 289 complaints. This compared with 299 during 2005/06 and 338 in 2004/05.

38. The vast majority of complaints during 2006/07 were both acknowledged and received full responses or progress reports within the Council's performance targets.

39. At the time of receiving quarterly reports, significant numbers of complainants were either satisfied as to how their complaint was handled or did not pursue their complaint beyond Stage 1 – and it was anticipated each time that these numbers would increase when complaints still under investigation were complete.

40. Poor Service (in all its various guises) has consistently been by far the largest category of complaint. In some situations at least, however, the complaint had arisen because of either the Authority's own legitimate policy/priority decisions or budget pressures/measures or similar direction from Government. The second largest category of complaint relates to staff conduct/attitude/behaviour. This is an area to which we now give particular attention because there is we believe a reasonable expectation that as an organisation these are causes of complaint that can be directly addressed and prevented.

41. The majority of the Council's complaints occurred in the former Social Care and Health Service. This should not surprise Members given the often sensitive and complex and sometimes interventionist nature of service delivery in this area. Furthermore, the Service is subject to a Statutory Representations Procedure which it positively promotes and actively seeks feedback from service users and carers. A similar pattern is more than likely to occur in other authorities with the same service responsibilities. However, because of the overall proportion of complaints in this area of service provision, we now regularly receive information on social care complaints so that we can better understand the issues that arise and the steps being taken in response. This includes detailed consideration of the Annual Report on Representations which is a statutory requirement.

42. During the year we have also considered and adopted the recommendations arising from an Internal Audit review of complaints handling within the Council to further improve both the robustness of the procedures and the quality of complaints information.

Compliments

43. Until recently the Council never collected and published together the many compliments/expressions of satisfaction we receive.

44. We felt that it was very important to do so – not only to present a more balanced picture, but also to formally acknowledge the many examples of good work which our staff deliver.

45. For 2006/07 as a whole, a total of 754 evidenced compliments (letter, fax or email) were received compared with 289 complaints.

Local Government Ombudsman

46. The Local Government Ombudsman is an independent service set up by the Government to investigate complaints about most council matters.

47. The Ombudsman undertakes a *health check* (now in its fifth year of operation) on each relevant authority and produces an Annual Letter which is aimed at helping councils learn from the outcome of complaints, underpinning effective working relationships and generally providing complaint based information to help councils assess and review performance.

48. The 2006/07 Annual Letter revealed that complaints to the Ombudsman about the County Council totalled 27, compared with 36 and 38 respectively in the two previous years.

49. The Ombudsman did not identify any issues arising from the distribution of complaints within service areas, nor did the Ombudsman feel it necessary to issue any formal reports about the Council in the year in question. The Ombudsman has acknowledged that working relationships between our respective staffs remain excellent.

50. The Ombudsman sets quite challenging timescales for councils to respond to complaints and many, including ourselves, sometimes find it difficult to meet them given the often complex nature of the complaints and the very thorough investigation we undertake on every occasion. Our average response times in 2005/06 and the previous two years had increased and last year the Ombudsman identified that this issue needed to be addressed. We met with the Assistant Ombudsman and discussed strategies to collectively improve response times and to consider the content of the Annual Letter in general. The Ombudsman has commended the Council for its improvement in response times to enquiries. The target is 28 days and in 2006/07 on average it took 30 days to respond compared to 34 days in 2005/06. We have closely monitored this particular situation as part of our quarterly examination of complaints handling and we will continue to do so.

51. The Ombudsman has also made particular mention of one locally- settled case involving delay and procedural shortcomings on the part of the Council and we intend to examine this further.

52. The Ombudsman's Annual Letter now also forms part of the evidence gathered for the Comprehensive Performance Assessment process – it is

therefore very pleasing to note that just as in 2004/05 and 2005/06, there were no findings of maladministration against the Council by the Ombudsman.

Code of Conduct for Local Government Employees

53. The Local Government Act 2000 also provides for the Secretary of State to prescribe a Code of Conduct for relevant local government employees.

54. The County Council already has a local Code of Conduct for its staff which provides a detailed statement of the standards of conduct expected of employees.

55. In parallel to the review of the Member Code, the Government now intends to make the conduct regime for employees more systematic with the issue of a new Code which takes into account lessons learned in the operation of the former. An expected date for the issue of the new Code for employees is still awaited.

56. Once the new Code for employees is finalised, we believe it would be sensible to review the Council's Confidential Reporting Code in conjunction with our colleagues in the Human Resources Committee.

57. The Government believes that this parallel approach will provide the conduct regime that local government will need in future.

Conclusion

58. This is now the third Annual Report, which the Committee has presented to the Council for consideration. Members' views on its content both now and in the future, would be most welcome.

Appendix 1: Implications

Finance

All relevant costs are met within either Democratic or Service Budgets.

Staffing

Support provided from within existing Service staffing resources.

Equalities and Diversity

Complaints information is monitored to identify any issues of inequality and to help prevent discriminatory practices.

Accommodation

N/A.

Crime and Disorder

N/A.

Sustainability

N/A.

Human Rights

Complaints information is treated in confidence wherever appropriate and is also used to help prevent discriminatory practices.

Localities and Rurality

N/A.

Young People

N/A.

Consultation

Appropriate Consultation undertaken on all relevant issues.

Health

N/A.