

# Item 6

## REPORT TO STANDARDS COMMITTEE

9<sup>TH</sup> FEBRUARY 2006

## REPORT OF SOLICITOR TO THE COUNCIL AND MONITORING OFFICER

### COMPREHENSIVE PERFORMANCE ASSESSMENT: KEY LINES OF ENQUIRY CORPORATE GOVERNANCE INSPECTION: IMPLICATIONS FOR STANDARDS AND ETHICS, THE STANDARDS COMMITTEE AND MEMBER TRAINING – TAKING THE ETHICS AGENDA FORWARD

#### 1. SUMMARY

- 1.1 This report considers the impact of the forthcoming Corporate Governance Inspection component of the Comprehensive Performance Assessment. In particular the opportunity has been taken to examine those aspects that focus upon how the best authorities take forward their Ethics Agenda.
- 1.2 This report serves to recognise the issues involved and the appropriate steps that ought to be taken to deal with them.
- 1.3 This report recognises that the Government have now published a series of major proposals which will change significantly the role of the Standards Board, Local Standards Committees and the duties of the Council's Monitoring Officer, following the publication of "Standards of Conduct in English Local Government : the Future", December 2005.

#### 2. RECOMMENDATIONS

- 2.1 That Standards committee consider the report.
- 2.2 To note that full Council will be recommended to approve the report and also consequential changes to the Constitution as appropriate.

#### 3. DETAIL

- 3.1 **Change Context:** in December 2005 the Government published its proposals on the changes to the arrangements for Standards of Members in Local Authorities in England and Wales, "The Standards of Conduct in English Government: The Future". The key changes envisaged are as follows:-
  - Initial assessment of all allegations of misconduct will be undertaken by Standards Committees and no longer by the Standards Board.
  - Local Monitoring Officers shall investigate most cases and Standards Committees shall determine most cases.
  - The Standards Board for England will only investigate the most serious cases and the Board's role will be limited and redefined to supporting, monitoring and overseeing Authorities' performance in dealing with allegations.

- Intervention powers will be given to the Standards Board to ensure that Standards Committees are operating effectively.
- New provisions will be put in place to permit Standards Committees to impose higher penalties in the more serious cases.
- The composition of Standards Committees will change: the requirement for an independent chair will be made compulsory and numbers of independent members will increase.
- Monitoring and reporting requirements will be put in place for Standards Committees so that the Standards Board can check on their progress.

All of these changes will require primary and secondary legislation which the Government intend to roll forward during the year.

- 3.2 **Achieving High Standards of Conduct: Assignment of Lead Responsibility to a Councillor:** Paragraph 4.3 of the Key Lines of Enquiry states that, as part of achieving high standards of conduct the Council should in effect assign lead responsibility to a Councillor for conduct and Standards issues as part of its arrangements. This could provide an opportunity to ensure recognition at the highest levels within the organisation of the key importance placed by the Council upon Ethics and Standards issues. In developing this aspect further the opportunity could usefully be taken to demonstrate the effectiveness of the Cabinet/Executive and overview and scrutiny relationship and other associated matters concerned with Corporate Governance.
- 3.3 The Leader of the Council whose responsibility concentrates upon resource management could be extended if he were to be assigned this role. Councillor Fleming has personally taken an interest in Standards issues within the Authority, has attended two nationally significant Standards Board for England Conferences and is keen to positively develop these aspects further. He has, since becoming leader, taken a lead role in moving the authority forward in its review of the Constitution.
- 3.4 In order to give effect to this arrangement it is suggested that: -
- \* the Leader as Cabinet Chairman and Leader of the Council should be the member assigned with lead responsibility on Standards and Ethical Issues.
  - \* the Leader's role be extended, and the Constitution amended accordingly, to put in place arrangements that require that he meet periodically with the Council's Statutory Officers that is to say the Chief Executive, Monitoring Officer and Section 151 Officer for the specific purpose of regularly considering and developing further the Standards strategy of the Council.
  - \* On advice from the Statutory Officers the Leader prepare and submit an annual report on Standards and Ethical Strategy and Corporate Governance related matters to the Standards Committee.
- 3.5 **Extending the Standards Committee Remit:** The current remit of the Standards Committee corresponds with the minimum required by legislation under the Local Government Act 2000. However, many Councils have developed the remit further as was reported at the National Conference of the Standards Board for England in Birmingham in September last year. Both the Audit Commission and the Standards Board for England accept that there is significant evidence to support the proposition

that the best performing authorities are also those that demonstrate high standards of conduct across their functions. To this end they both support and encourage authorities where the remit of the Standards Committee has been extended.

- 3.6 It is, therefore, recommended that a widescale review take place within the Officer Constitutional Review Group with the object of focussing upon ways in which the remit of the Standards Committee can be appropriately extended and that they report further.
- 3.7 **Training:** The Audit Commission expects that training for Councillors on the Code of Conduct is made mandatory. Currently the Monitoring Officer advises the Standards Committee of forward plans for training of members at Borough, Parish and Town Council level as well as Officers and Clerks. The Standards Committee receives feedback reports on the training and also the performance of speakers and presenters is monitored. Information is retained about member/officer attendances at events.
- 3.8 The Monitoring Officer also maintains records of all training materials whether provided internally, externally or on a joint basis within the County Durham Area. The County Monitoring Officers Group which includes the Monitoring Officers of the County Council and all District Councils is chaired by him and meetings take place to discuss current topics and issues and areas for shared and joint working.
- 3.9 **Borough Councillors:** In view of the move towards mandatory requirements, it is recommended that, with effect from the start of the calendar year 2006 all members of the Council be notified that a mandatory requirement will be put in place hence forward that all members shall be required to attend at least one qualifying event per calendar year with effect from 2006; the details of attendances will be reported to the first meeting of the Standards Committee in the calendar year 2007. Qualifying events would include: -
- \* Events conducted or organised by the Council's Monitoring Officer (at least three events will be conducted during the year at the instigation of the Monitoring Officer).
  - \* Conferences and events involving wholly or mainly standards and ethical Issues organised by local government associations and similar bodies, full details of which have previously been notified to the Council's Monitoring Officer.

**Parish and Town Council Members:** It is further proposed that Parish and Town Clerks be recommended to adopt a similar arrangement for their members and to maintain records accordingly. As the Standards Committee has a responsibility for those members also, Parish and Town Councils will be advised that information about their members' attendance will also be published as for Borough Council members.

- 3.10 **Monitoring Trends in Standards Board Complaints Nationally and Locally:** The inherent message of the Key Lines of Enquiry is that the Council can usefully go further to demonstrate how it reacts to complaints about member conduct. Currently complaints are monitored by the Council's Monitoring Officer concerning Borough, Parish and Town Council members. He reports on a monthly basis to the Chief Executive regarding current cases and whether they are likely to have an impact upon the Council's Constitution or Governance arrangements; whether change may

be necessary. In some instances cases are discussed by the Statutory Officers at their regular meetings. However, in order to take the concept of transparency further forward in this area it is suggested that it would be appropriate in light of the current expectations of the Audit Commission that formal reports be made to the Standards Committee of statistical and other data regarding cases both at national and local level. This would enable the Council to gauge current trends and determine whether those trends have implications for this Council.

#### 4. CONSULTATION

4.1 This report has been considered by Management Team on 16<sup>TH</sup> January 2006 and, in particular, by the Statutory Officers, the Chief Executive, the Solicitor to the Council and Monitoring Officer and the Director of Resources, in his role as Section 151 Officer.

4.2 It is intended that Standards Committee be appraised of the terms of the report.

**Contact Officer:** Dennis A. Hall  
**Telephone No:** (01388) 816166, Ext 4268  
**Email Address:** dahall@sedgefield.gov.uk

#### Background Papers

Key Lines of Enquiry for Corporate Governance issued by the Audit Commission  
 Related Item Discussion Paper Constitution and View: Member Involvement  
 Report of the Solicitor to the Council and Monitoring Officer to Standards Committee dated Thursday 7th July 2005  
 Standards of Conduct in English Local Government – The Future published by the Office of the Deputy Prime Minister – December 2005

#### Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Council's Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Council's S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>