

Item 5

ITEM NO.

REPORT TO STANDARDS COMMITTEE

1ST NOVEMBER 2007

REPORT OF SOLICITOR TO THE COUNCIL AND MONITORING OFFICER

STANDARDS BOARD ANNUAL REVIEW – 2006/2007

1. SUMMARY

- 1.1 New arrangements for Local Government are rapidly taking shape. The revised Code of Conduct has come into effect, providing greater clarity about the role of Councillors and removing many of the restrictions that have sometimes made it difficult for Members to speak up for their communities effectively.
- 1.2 The Standards Board Annual Review focuses on how the Board works with local authorities in order to ensure the success of the new framework. Over the last year, the Board has continued to work in close partnership with other government bodies and external organisations in pursuit of higher standards.

2. RECOMMENDATIONS

- 2.1 That Standards Committee be appraised of the report.

3. DETAIL

- 3.1 The move to local investigation of complaints is continuing, with over half of all cases that need to be investigated, handled by local authorities. From research carried out by the Standards Board, a positive picture emerges of how local authorities are responding to the changes taking place.
- 3.2 Overall, there is a wide consensus that standards of conduct have improved since the Standards Board was established. Most encouragingly, there is strong evidence that local authorities, from Chief Executives and Political Leaders to Standards Committees and Monitoring Officers are embracing their new role as champions of high standards, and gaining confidence in their ability to play it effectively.
- 3.3 *One Year in Brief:* The majority of the Standards Board's recommendations were implemented by the Government, leading to the introduction of an improved, less restrictive Code of Conduct in May 2007.
- 3.4 The role of the Standards Board as a light touch regulator is clearly defined by the new Local Government Bill.

- 3.5 Over half of all investigations are now dealt with by local authorities, with improved support available from the Standards Board and there is a continued improvement in speed and efficiency of the Standards Board service, with major key performance indicators achieved.
- 3.6 Within the new more locally driven conduct framework, the Standards Board will continue to:
- oversee the Code of Conduct and make recommendations for change to the Government where necessary;
 - issue guidance;
 - carry out investigations that cannot be undertaken locally;
 - give advice and support on case handling and broader governance issues.
- 3.7 There are two ways in which the Standards Board will develop their role as a light touch, strategic regulator:
- 1) *Defining the framework:* As well as continuing to champion and promote high standards, the Board will take responsibility for defining what people can expect the standards regime to deliver, including the roles of Monitoring Officers and Standards Committees.
 - 2) *Ensuring effective local performance:* Under the new standards framework, the emphasis will be on self-regulation, with Local Government being encouraged to resolve their own problems, with support from the Standards Board. The Standards Board will be putting monitoring arrangements in place to ensure that the local system is operating effectively, and will only consider withdrawing local case handling where there is clear evidence of local failure. It is important to stress that the Standards Board will be light touch, and that, they will not be adding significantly to the burden of regulation on authorities.
- 3.8 In total the Standards Board covers over 100,000 elected and co-opted Members, 3,549 allegations were received in 2006-07, 62% of the allegations were from members of the public, 19% of the complaints were referred for investigation and it took 9 days to decide whether to refer a complaint for investigation.
- 3.9 The Local Government and Public Involvement in Health Bill will make standards a truly local issue, reversing the centralism of the original Local Government Act 2000. The key provision is that local Standards Committees will be handed responsibility for receiving complaints and deciding whether they should be investigated.
- 3.10 This, in turn, will clarify the Standards Board's new role as a strategic regulator, with the responsibility to monitor and promote standards, and to support and oversee local authorities in their application of the Code. Only cases that cannot be handled locally, because of conflicts of

interest or because they raise issues of particular importance, will be dealt with by the Standards Board.

3.11 The main provisions of the Local Government and Public Involvement in Health Bill that will effect the standards regime include:

- Standards Committees to be responsible for receiving allegations and deciding whether any action needs to be taken;
- Standards Committees to report periodically to the Standards Board;
- The Code of Conduct to cover private conduct where it constitutes a criminal offence for which the Member has been convicted;
- Standards Committees to be allowed to enter into joint working arrangements with other Standards Committees;
- The Standards Board to be responsible for monitoring and ensuring the effectiveness of local arrangements, including supporting authorities which are experiencing difficulties and driving up their performance.

3.12 The Standards Board is very keen to ensure that their response to the complaints is appropriate and not wasteful of public money. Therefore, the Board may take the view that a complaint does not need to be investigated, either by themselves or at a local level.

3.13 In such cases, Ethical Standards Officers have the option of issuing Monitoring Officers with directions to take action to solve local problems. This might, for example, involve training for the whole Council; guidance on proper procedures; or mediation. The aim, whatever the specific circumstances, is to help the Council improve its own effectiveness and conduct, at a far lower cost in time and money than an investigation.

3.14 Over the last two years, the Standards Board has commissioned a number of research projects. During 2006-07, four major research studies were completed.

3.15 A useful analogy drawn from one of the studies suggests that there are three broad types of Standards Committees. A lapdog committee is ineffective, often due to lack of resources or political interference. A watchdog committee fulfils the statutory role, keeping an eye on Member conduct and overseeing operation of the Code. A guide dog committee goes further, seeing itself not just as a regulatory body, but as a champion of ethical conduct, responsible for helping and supporting Members in raising standards.

3.16 An overall positive picture has emerged from the research studies completed:

- 80% of respondents (including Members and Officers) believe that high standards of behaviour for Members is one of the most important issues facing local government;

- 93% of respondents support the requirement for Members to sign a Code of Conduct;
- 44% of respondents believe that standards of ethical conduct in local authorities have improved over the last few years;
- In a local authority where a local investigation has taken place, 69% of Monitoring Officers report positive impacts of local investigations;
- Standards Committee Members generally believe that they have a good relationship with their Monitoring Officer with 91% indicating a good working relationship.

3.17 *A New Focus on Parish Councils:* If devolution of the system for upholding standards is to be completely successful, it is essential to develop good governance at all levels. The Standards Board have submitted a joint bid with the National Association of Local Councils, the Society for Local Council Clerks and the Improvement and Development Agency for funding for two projects aimed at supporting the work of Parish and Town Councils and encouraging high standards.

3.18 The first is a peer-mentoring programme, which will match trained Councillor mentors with Parish and Town Councils to share their knowledge and understanding of good practice and the development of a model agreement to encourage closer relationships between local Councils and the Standards Committee.

3.19 In conclusion, the Standards Board feels like they have struck the right balance between welcoming the positive changes that have continued to take place over the last 12 months, and recognising the scale of the challenge that local authorities still face.

4. RESOURCE IMPLICATIONS

4.1 No specific financial implications have been identified.

5. CONSULTATIONS

5.1 The Council's Management Team has considered this report.

6. OTHER MATERIAL CONSIDERATIONS

6.1 All material considerations have been taken into account in the contents of this report. In particular, risks may arise unless Members of Council are fully apprised on standards matters.

7. OVERVIEW AND SCRUTINY IMPLICATIONS

7.1 None apply.

8. LIST OF APPENDICES

8.1 None apply.

Contact Officer: Dennis A. Hall
Telephone Number: 01388 816166, Ext. 4268
E-mail address: dahall@sedgefield.gov.uk

Wards: N/A

Key Decision Validation: N/A

Background Papers

Standards Board Annual Review – “To Higher Standards”

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"/>

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