

## **Standards Committee**

**2 September 2013**

### **Annual Report of the Standards Committee**



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### **Report of Colette Longbottom, Head of Legal and Democratic Services**

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#### **Purpose of the Report**

1. To reflect and report on the work of the Standards Committee from July 2012 to July 2013.

#### **Background Information to the Annual Report**

2. Although there is no legislative requirement for Standards Committees to produce an Annual Report, doing so is recognised as good practice. Not only does the report publicise the work of the Committee to the wider general public, it is also a means for the Authority itself to monitor the Committee's work.
3. The particular purpose of this report is to reflect on the changes to standards arrangements from July 2012 and to review the work undertaken by the standards committee since those changes were implemented.

#### **Localism Act 2011**

4. The Localism Act 2011 made fundamental changes to the system of regulation of standards of conduct for elected and co-opted Councillors and all necessary changes to standards arrangements were required to be implemented by local authorities from July 2012.
5. This report describes the changes and recommends the actions required for the Council to implement the new regime.
6. Although Local Authorities remain under a statutory duty to promote and maintain high standards of conduct, the Act has removed key elements from the then current system, including:-
  - (a) The ten Principles of Conduct heading the Code.
  - (b) The statutory model Code of Conduct.
  - (c) The Code of Conduct that the Council had adopted in its constitution.
  - (d) The requirement for members to give an undertaking to observe the authority's Code of Conduct.

- (e) The Standards Board and Ethical Standards Officers.
  - (f) The requirement to have a Standards Committee.
  - (g) Provision for independent membership of the Standards Committee.
  - (h) The menu of sanctions allowed under the existing standards framework.
  - (i) The then current Members' Interest Register.
  - (j) The requirement for Assessment Review and Hearing Committees to deal with complaints.
  - (k) All provisions for appeal against decisions in Standards Committee.
7. As the Act removed the obligation to have a Standards Committee, Councils needed to consider how they would oversee and implement the ethical agenda which replaced the statutory framework.

Following due consideration, Council resolved that a standards committee of a smaller size should be established.

### **Membership of the Committee**

8. The membership of the new Standards Committee comprises 11 elected members of the Council, appointed proportionally. In addition, Parish and Town Councils were invited to nominate a maximum of 2 Parish Councillors to be co-opted as non-voting members of the Committee. Following the May 2013 elections the membership of the Standards Committee is as follows:-

**Chair of the Standards Committee** – County Councillor Joe Armstrong

**Vice Chair of the Standards Committee** – County Councillor Mac Williams

**Members of the Standards Committee** - County Councillors E Bell, J Clark, M Dixon, B Graham, G Holland, E Huntington, I Jewell, W Stelling and B Stephens.

**Co-opted Members** – Councillor T Batson of Tow Law Town Council and Councillor AJ Cooke of Barnard Castle Town Council and Stainton & Streatlam Parish Council.

### **Independent Persons**

9. Under the Localism Act 2011, the Council was required to appoint one or more Independent Persons to assist in the standards process.
10. The functions of the Independent Persons are:

- i. They must be consulted by the authority before it makes a finding as to whether a member has failed to comply with the Code of Conduct or decide on action to be taken in respect of that member.
  - ii. They may be consulted by the authority in respect of a standards complaint at any other stage and they may be consulted by a member or a co-opted member of the authority.
11. Further to a recruitment exercise the following 2 persons were appointed to the role of Independent Person:-
  - i. John Dixon Dawson. He is from Peterlee in County Durham. He is currently Head of Post Graduate Programmes at the University of Sunderland Business School.

He has a career going back to 1986 which has involved various placements at universities in the North East, four years as a non-Executive Director at an NHS Trust and seven years as a Deputy Town Clerk.
  - ii. Peter William Jackson. He is from Newton Hall in Durham City. He is retired, originally from the private sector having fulfilled the roles of Factory Manager, General Manager, Managing Director, Group Technical Executive and Sales Manager.

He has also served on the Youth Employment Committee of the Council and the Police Consultative Committee for Durham County Council.
12. Since their appointment, both Independent Persons have been consulted on Code of Conduct complaints and have regularly attended the plenary sessions of the Standards Committee.

### **Code of Conduct**

13. The Localism Act repealed the ten General Principles and Model Code of Conduct, however the Council was required to adopt a new Code of Conduct governing elected and co-opted member's conduct when acting in that capacity. The Council's new Code of Conduct was required to be consistent with the following seven principles:-
  - Selflessness
  - Integrity
  - Objectivity
  - Accountability
  - Openness
  - Honesty
  - Leadership
14. The Council had discretion as to what it chose to include within its new Code of Conduct, provided that it was consistent with the seven principles.

However, regulations made under the Act required the registration and disclosure of “Disclosable Pecuniary Interests” (DPIs). The provisions of the Act also required an authority’s code to contain appropriate requirements for the registration (and disclosure) of other pecuniary interests and non-pecuniary interests. The Act prohibits members with a DPI from participating in authority business, and the Council can adopt a Standing Order requiring members to withdraw from the meeting room.

15. Following due consideration, the Council adopted a new Code of Conduct, which was prepared by the Monitoring Officers representing Principal Councils within Tyne and Wear, Durham and Northumberland. A copy is attached at Appendix 2.
16. Furthermore the National Association of Local Councils prepared a Model Code of Conduct, based on the same principles, for parish and town councils. This was subsequently adopted by the majority of the Council’s constituent local authorities, a copy of which is attached at Appendix 3.

### **Consideration of complaints**

17. In July 2012 an updated Local Assessment Procedure was introduced which sets out the new arrangements for the handling of Code of Conduct complaints. Responsibility for the assessment and determination of such matters is now the responsibility of the Monitoring Officer, thus removing the need for the Assessment and Review Sub Committee arrangements of the old regime. The Act repealed the requirements for these separate Sub-Committees, enabling the Council to establish its own process, which could include delegation of decisions on complaints.
18. The Monitoring Officer now has delegated authority to make the initial decision on whether a complaint requires investigation or other action. These arrangements also offer the opportunity for the Monitoring Officer to seek to resolve a complaint informally, before taking a decision on whether the complaint merits formal investigation. The Monitoring Officer now reports quarterly to the Standards Committee on the number and nature of complaints received, enabling her to draw to the Committee’s attention areas where training or other action might avoid further complaints, and keep the Committee advised of progress on investigations and costs.
19. In cases where a formal investigation finds evidence of a failure to comply with the Code of Conduct, it will still be necessary to involve a Panel selected from the Members of the Standards Committee in order to facilitate a hearing.

A copy of the updated Local Assessment Procedure is attached at Appendix 4.

### **Code of Conduct complaints – July 2012 – July 2013**

20. In the 12 months since the implementation of the updated Local Assessment procedure, a total of 52 Code of Conduct complaints have been received by the Monitoring Officer. These complaints can be summarised as follows:-

32 of the complaints were against Town Councillors, 11 against County Councillors and the remaining 9 were against Parish Council Members.

9 of the complaints were concluded as requiring a Local Resolution while the remaining complaints were all determined as No Further Action required.

16 of the complaints were made by Elected Members while 6 were made by staff from the same authority as the Member being complained about.

## **Conclusion**

21. This is the first Annual Report since the implementation of the Localism Act and it is clear that the Act has had a tremendous impact on Code of Conduct and Standards arrangements.
22. While the Standards Committee continues to be committed to promoting the principles and values of good governance within the Council, the scope of the changes has seen the role of the Committee become increasingly limited. Nevertheless, the efficient handling of Code of Conduct complaints continues to be the priority and the Committee will continue to have oversight of such complaints activity.

## **Recommendations**

23. The Committee is asked to note the report and approve that it be submitted to Council.

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