

<b>MEETING:</b>	<b>STANDARDS COMMITTEE</b>
<b>DATE:</b>	<b>24 JUNE 2011</b>
<b>TITLE OF REPORT:</b>	<b>THE FUTURE OF THE LOCAL GOVERNMENT STANDARDS FRAMEWORK</b>
<b>REPORT BY:</b>	<b>DEMOCRATIC SERVICES OFFICER</b>

**Classification: Open**

## **Purpose**

To consider the present outlook for standards and ethics in local government and the future role of the Standards Committee.

## **Recommendation**

**THAT the report be noted and Members consider how best to advise the Council on the future maintenance of ethical standards.**

## **Key Points Summary**

- The Decentralisation and Localism Bill includes proposals to abolish the Standards Board regime.
- The Committee has previously considered some of the implications that the proposed arrangements will have on the way ethical standards will be maintained and complaints dealt with in the future.
- Until such time as the new legislation is passed, the statutory framework remains operative and complaints are still being dealt with in the same way. A report about the progress of these is set out for Members in the confidential section of the Agenda.
- The Bill was introduced to the House of Commons on 13 December 2010. It is currently progressing through the House of Lords and underwent its second reading 07 June 2011. The Committee Stage – line by line examination of the Bill – is due to begin on 20 June 2011, and the Bill is likely to receive royal assent late in 2011.

## **Alternative Options**

- 1 There are none.

## **Reasons for Recommendations**

- 2 To note the emerging information about the Government's planned Decentralisation and Localism Bill, on SFE and the ethical standards framework, and to make recommendations on the future handling of complaints about standards and ethics.

## Introduction and Background

3. The Government's aim is to have the new arrangements in place by late 2011 and the Council will therefore need to consider what arrangements, if any, it needs to put in place for an ethical framework and the way in which complaints about councillors are dealt with.

## Key Considerations

4. Briefly, the Decentralisation and Localism Bill has the following provisions which are relevant to standards and ethics:

**The 'predetermination' rules** – The Bill will end the situation where councillors are prevented from acting on local issues because of the risk of challenge that they are biased. The proposal makes it clear that if a councillor has given a view on an issue, this does not show that the councillor has a closed mind on that issue, so that if a councillor has campaigned on an issue or made public statements about their approach to an item of council business, he or she will be able to participate in discussion of that issue in the council and to vote on it if it arises in an item of council business requiring a decision.

**The Standards Board regime** – The Bill will abolish the regime and allow councils to make their own arrangements to govern propriety and behaviour and empower the local community to hold their elected representatives to account. To date, the Department for Communities and Local Government (DCLG) has provided the following guidance on how existing and future standards complaints will be handled:

- **Transitional arrangements** (the date on which these arrangements will take effect is not yet known):

Any cases in the system at the appointed day will make their way through a transitional regime. This would meet the expectation of those who had made allegations that their allegations would be properly dealt with. It also enables that if a member has an allegation made against them, they should have the opportunity to clear their name.

Any investigations being undertaken by Standards for England will transfer, on the appointed day, to the local authority that referred the investigation. It will be for that local authority to arrange for the conclusion of the investigation.

The local authority's standards committee will remain established until the last complaint it is considering, referred either internally or from Standards for England, has been dealt with.

Any cases with which the First-tier Tribunal (Local Government Standards in England) is dealing on the appointed day will be concluded by that tribunal. It will not receive any appeals against standards committee rulings after that date.

The right of appeal will not exist for those cases standards committees deal with as they work their way through the transitional system.

The suspension sanction will be removed from standards committees for the transitional period. Hence the most a standards committee could do is, for instance, to issue a councillor with a censure or a request that they undergo training.

- **Arrangements after the abolition of the Standards Board Regime:**

Members will be required to continue to register and declare personal interests and will not be allowed to use their position improperly for personal gain. The Government intends that wilful failure to comply with these requirements will constitute a criminal offence, and the Monitoring Officer of a local authority will have powers to refer such instances to the police.

The requirement for local authorities to adopt a model code of conduct and for local authority members to abide by that code will be abolished. However, local authorities will be free to adopt their own, voluntary code of conduct should they so wish.

The requirement to maintain a standards committee will be abolished. However, local authorities will be free, should they choose, to establish voluntary standards committees to consider complaints about the conduct of elected and co-opted members. Dr Robert Chilton, Chair of Standards for England, in his letter to Standards Committee chairs on 30 November 2010, added to this, that “[a voluntary standards committee] would be an ‘ordinary committee’ of the authority and therefore not need to have independent representation”. Such committees will, according to councils’ local constitutions, be able to censure but will not be able to suspend or disqualify members from council.

5. Mr Jake Bharier, Independent Member of the Herefordshire Standards Committee, has submitted a paper with some initial thoughts and suggestions for handling standards and ethics complaints post-Standards Board regime, and for possible avenues of consultation. It is appended to this report, along with the Committee’s previous observations on the impact of the Bill, in order to assist the Committee’s debate on proposals for any future standards and ethics regime in Herefordshire.

## **Community Impact**

6. It is important to ensure that the community at large is aware that the statutory framework remains operative.

## **Financial Implications**

7. There are no further financial implications known at this stage.

## **Legal Implications**

8. Until such time as the relevant legislation is passed, the current statutory framework remains operative.

## **Risk Management**

9. There is a need to ensure that, until otherwise known, the statutory framework is adhered to. Ethical standards are important to the Council and, following the abolition of this framework, the effectiveness of the new statutory regime needs to be monitored.

## Consultees

10. There are none

## Appendices

Appendix A – Possibilities post-Localisation Bill: initial thoughts (Jake Bharier, Independent Member of the Standards Committee)

Appendix B – Views expressed at the Standards Committee meeting held on 22 October 2010:

Appendix C - Views expressed at the Standards Committee meeting held on 14 January 2011:

## Background Papers

- Letter from Dr David Chilton to Standards Committee chairs dated 30 November 2010;
- DCLG information release dated December 2010 & Ministerial Statement dated 13 December, 2010.
- DCLG Publication entitled: “Localism Bill: the abolition of the Standards Board regime, clarification of the law on predetermination and the requirement to register and declare interests. Impact assessment” dated January 2011
- Localism Bill 2010-11, UK Parliament: <http://services.parliament.uk/bills/2010-11/localism.html>