



<b>GA.28 11/12</b>
<b>Governance and Audit Committee</b>
<b>19 December 2011</b>

**Subject: Extension of time for the operation of the Standards Regime**

<b>Report by:</b>	Director of Communities and Localism and Monitoring Officer
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<b>Purpose / Summary:</b>	To inform Members of the final outcome of the Localism Act in respect of the Standards regime and to request approval for the current Code of Conduct for Members and the Standards regime to continue in operation until June 2012 when a revised Code and process will be submitted for approval.

**RECOMMENDATION(S):**

- i) that Members recommend to full Council that approval be given for the existing Members and Co-opted Members Code of Conduct to continue in operation until June 2012 when a revised code and process will be submitted for approval**
- ii) that the existing Members of the Standards be authorised to continue in office until a new code is introduced and a new committee appointed if required**
- iii) that the Standards Committee be requested to review and amend the procedures under which allegations of breach of the Code can be investigated and decisions on allegations taken, in light of experience over the last few years.**
- iv) That the Monitoring Officer be requested to implement arrangements for the appointment of an Independent Person in accordance with the requirements of the Act.**

## IMPLICATIONS

**Legal:** There is a legal requirement to have a Code of Conduct and Standards Regime as set out in Part I Chapter 7 of the Localism Act 2011

**Financial:** None associated with this report

**Staffing:** None associated with this report

**Equality and Diversity including Human Rights :** None associated with this report

**Risk Assessment:** To not set in place the interim measures would leave the Council without a Standards regime that was fit for purpose.

**Climate Related Risks and Opportunities :** None associated with this report

**Title and Location of any Background Papers used in the preparation of this report:**

The Localism Bill November 2011

**Call in and Urgency:**

**Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?**

Yes

No

**Key Decision:**

Yes

No

## **1 Background**

- 1.1 In October 2010 the Coalition Government announced its intention 'to abolish the Standards Board regime'.
- 1.2 The Government considered that the Standards Board regime, consisting of a centrally prescribed model code of conduct, standards committees with the power to suspend a local authority member and regulated by a central quango, was inconsistent with the principles of localism. In addition there was a concern that the regime was a vehicle for vexatious or politically motivated complaints.
- 1.3 The Government considered that it was the right and the responsibility of the electorate to determine who represents them and that the abolition of the regime would restore power to local people.
- 1.4 Accordingly, the Government proposed to abolish the regime in its entirety through the localism bill.
- 1.5 Since then the Standards Committee have been actively considering the way forwards upon the demise of the regime. At a Standards Committee Workshop held in June 2011 there was general consensus that the aim should be that on the demise of the Mandatory Standards regime a voluntary code be introduced to which local Parish Councils could opt-in.
- 1.6 The Council has launched its approach to Localism and central to this programme is the development of strong and effective local democracy. Work over recent years through the auspices of the Standards regime to support and assist Parish Councils in their democratic role as been relatively successful and in light of the changes to the regime the Council is keen to capture the best of previous work in any new arrangements.
- 1.7 This aim was reported to the Governance and Audit Committee at its meeting on 27<sup>th</sup> June 2011 as this Committee now has responsibility for ethical standards and this approach was supported and endorsed.

## **2 Current Situation**

- 2.1 The Localism Bill received Royal Assent on 15<sup>th</sup> November 2011, and a number of amendments were included, the main ones being as follows:-
  - a) A local authority must adopt a code dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity. It must be consistent with a new set of general principles and the rest of the new legislation, but there will be no national model.
  - b) Authorities must have in place 'arrangements' under which allegations of breach of the Code can be investigated and decisions on allegations taken, with or without an investigation or hearing. However, there are

no sanctions apart from naming and shaming and possibly withdrawal of facilities in some cases.

- c) Regulations will define “disclosable pecuniary interests” of Members and spouses/partners.
- d) A requirement to appoint at least one independent person whose views are to be sought and taken into account by the authority before makes a decision on a written allegation that it has decided to investigate. The views of the independent person may also be sought by the councillor (including a parish councillor) who is the subject of the complaint.
- e) This all applies to parish councils, with modifications, except that their principal authorities will make and operate the ‘arrangements’ for them and they will use the principal authorities Independent Person.

2.2 The negotiations which have brought forward these amendments were debated individually and at length by the House of Lords and were relatively contentious. As such they do not necessarily produce a coherent or clear set of proposals to which it is easy to develop a comprehensive response.

### **3 Way Forward**

- 3.1 As such and because of the lateness of the amendments and the uncertainty as to whether the Government would in fact produce a mandatory code there has been little time in which to prepare an alternative code and procedures.
- 3.2 As the Government’s stated intention is to bring this into force by April 2012, the Standards Committee are requesting approval to continue with the existing Code of Conduct that is currently operated until June 2012 when a new Code will be submitted for approval.
- 3.3 It is also requested that approval be given for the existing Members of the Standards Committee to continue in office until the transitional period is ended, a new Code introduced and a new Committee appointed if required.
- 3.4 In addition, it is suggested that the Standards Committee be requested to review and amend the procedures under which allegations of breach of the Code can be investigated and decisions on allegations taken, in light of experience over the last 4 years. The amendments to take effect once the legislation comes into force.
- 3.5 A new requirement included in the Localism Act includes the appointment of an Independent Person and it is suggested that the Monitoring Officer be requested to implement arrangements for this process.
- 3.6 In the meantime consultation will take place with representatives of all the relevant stakeholder groups in order to produce a Code fit for purpose and which takes into account first hand experience in managing the current process over the last four years.

#### **4. Summary**

- 4.1 The Council is keen to retain the 'best ' of the old Standards regime while disposing of the unnecessary bureaucracy and reliance on process which often negated the benefits and caused unnecessary concern to individuals tied up in complaints . The commitment by the Council to Localism – supporting and building self help within our many and diverse communities is an essential part of any review of the way in which democratic representatives serve their populations. It is in this light that the above transitional arrangements will be made and further proposals brought back to Members for consideration.