
Meeting: General Purposes Committee
Date: 18 July 2013
Subject: Annual Report on the Arrangements for Ethical Standards
Report of: Head of Legal & Democratic Services/ Monitoring Officer
Summary: The report considers the developments in respect of ethical standards that have taken place since the Localism Act 2011 was brought into force on 1 July 2012.

Advising Officer: John Atkinson, Head of Legal & Democratic Services/Monitoring Officer
Contact Officer: As above
Public/Exempt: Public.
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

The effectiveness of the Council's governance arrangements contributes to the achievement of all the Council's priorities.

Financial:

1. The proposals contained in the report have no immediate financial implications.

Legal:

2. Under the Localism Act 2011, the Council was required to introduce revised arrangements governing ethical standards, including a Code of Conduct, arrangements for handling complaints and the establishment of a Register of Members Interests. The Council also has responsibility for overseeing the arrangements that are adopted by Town and Parish Councils and for investigating complaints that are made against Town and Parish Councillors.

Risk Management:

3. It is important that the Council has in place an effective local framework to secure high ethical standards in the conduct of its business. The main risk to the Council of a failure in the area of ethical standards is reputational.

Staffing (including Trades Unions):

4. Not Applicable.

Equalities/Human Rights:

5. Public Authorities must ensure that decisions are made in a way which minimises unfairness, and without a disproportionately negative effect on people from different ethnic groups, disabled people, women and men. It is important that Councillors are aware of this duty before they take a decision.

Public Health

6. Not applicable

Community Safety:

7. Not Applicable.

Sustainability:

8. Not Applicable.

Procurement:

9. Not applicable.

RECOMMENDATION:

The Committee is asked to review the arrangements that the Council has made to comply with its obligations in respect of ethical standards under the Localism Act 2011 in the light of the first year's experience.

Introduction

10. The Localism Act 2011 introduced revised arrangements for local authorities in respect of ethical standards, including the Code of Conduct, Register of Interests and the handling of complaints. This Council's obligations under the Act included certain responsibilities regarding the Register of Interests and the conduct of complaints relating to Town and Parish Councils.
11. The Council adopted a new Code of Conduct at its Annual Meeting in April 2012. The relevant provisions in the Localism Act 2011 came into force on 1 July 2012 and in accordance with those provisions the Council subsequently approved the matters that should be included in the Register of Interests and appointed a panel of independent persons to provide views on complaints.
12. The purpose of this report is to provide the Committee with a summary of how the new arrangements have worked in practice over the last 12 months.

The Code of Conduct

13. The Code of Conduct adopted by the Council has also been adopted by most town and parish councils in the area. However, it is open to each council to adopt its own code and so there is not a single code of conduct that covers all councils in Central Bedfordshire. A number of parish councils have adopted the model Code of Conduct circulated by the National Association of Local Councils. To date, this has not caused any practical problems.
14. A copy of the Council's Code of Conduct is attached as Appendix A. In practice, the Code seems to provide a sound framework for issues regarding the conduct of Members.

The Register of Interests

15. The Council decided to confine the items that must be included in the Register of Interests to those disclosable pecuniary interests that were prescribed by the government in regulations. However, the Council also adopted the following general obligation:

As an over-riding obligation, Members are required to abide by the law and the Nolan Committee Seven Principles of Public Life in determining whether any additional interests should be disclosed.

16. Members were asked to submit fresh register of interests forms to reflect the new categories of disclosable pecuniary interest prescribed by the Regulations.
17. This Council's Monitoring Officer is responsible under the Act for ensuring that the registers of interest for all the town and parish councils in the area are published on the Council's website and are available for inspection. New forms and guidance notes were issued to town and parish clerks following the publication of the Regulations and they were asked to submit their registers to this Council for publication. The current position is that we have received 420 completed forms for town and parish councillors.
18. All councillors are under an obligation to notify the Monitoring Officer of any disclosable pecuniary interests they have within 28 days of their election to the Council. In August 2012, the Secretary of State issued guidance for councillors entitled: *Openness and transparency on personal interests*. In this guidance, the Secretary of State emphasised that under the principle of honesty holders of public office have a duty to declare any private interests relating to their public duties and that this obligation did not only apply in the immediate aftermath of their election.

Independent Persons

19. The Act provides that each Council must appoint at least one independent person whose views are to be sought and taken into account before the Council makes a decision following the investigation of a complaint that a Member of the Council or a Town or Parish Councillor has failed to comply with the Code of Conduct.

20. The Council worked in collaboration with Bedford, Luton and Milton Keynes Councils to establish a joint panel of independent persons. This arrangement seems to have worked well over the last year. In practice over that period, no complaints in Central Bedfordshire have proceeded to the stage of formal investigation, but the Monitoring Officer has consulted an independent person in each case where he has carried out an initial assessment and their views have been helpful in determining whether any action should be taken.

Complaints

21. A copy of the procedure that the Council has adopted for handling complaints is attached as Appendix B.
22. There have been a significant number of complaints received since 1 July 2012, but it has been necessary for the Standards Sub-Committee to meet on only one occasion so far. At the time of writing this report, the Monitoring Officer has received a total of 28 complaints under the new arrangements. Of these, twenty-two complaints concern Town and Parish Councillors and six are about Members of Central Bedfordshire Council. Twelve of the complaints concern Members of one Parish Council. These twelve complaints have recently been referred to the Standards Sub-Committee to consider how best to approach this situation.
23. The procedure provides for the Monitoring Officer to carry out an initial assessment of all complaints received, in consultation with an independent person. This process has generally worked well but it has not been possible in all cases for the assessment process to be completed within the 20 day period. A number of the complaints relate to contentious issues where the complainant has been engaged in pursuing their concerns in other ways and, whatever the merits of the particular complaint, these cases require careful handling to try to achieve a satisfactory resolution to the complaint. There was also a delay in handling complaints following the introduction of the new arrangements pending the appointment of independent person. This process was completed in September 2012.

Transitional Arrangements

24. The transitional regulations provided that any complaints that remained outstanding as at 1 July 2012 would be completed in accordance with the new arrangements.

25. In Central Bedfordshire, six complaints were received before 1 July 2012 where the complaints process was not completed before the new arrangements came into force. Four of these cases were actually received during the last week of June and have been handled throughout in accordance with the new arrangements. There were two complaints where the process was started under the previous statutory framework but not completed by 1 July 2012. In one case, an investigation was carried out after 1 July 2012. The investigating officer's report recommended that no further action was required and this recommendation was accepted by the Monitoring Officer. In the other case, the initial assessment was completed before 1 July 2012 but the complainant requested a review of the decision taken by the Assessment Sub-Committee after 1 July 2012. The Monitoring Officer dealt with this by asking an independent person with experience as an independent member of the Council's Standards Committee to conduct the review. The Monitoring Officer acted on the recommendations of the independent person and the complaints process was completed in this way.

Training

26. Training was provided for Members of the Council on the new arrangements on 13 July 2012. Since then the Monitoring Officer has delivered three training sessions for Town and Parish Councillors. These sessions were attended by over 50 Councillors and Clerks.

Conclusion and Next Steps

27. In general, the arrangements that the Council put in place in response to the requirements in the Localism Act 2011 are working well.

Appendices:

Appendix A – Code of Conduct

Appendix B – Procedure for Handling Complaints

Background Papers: None