



AGENDA ITEM: 4

SUMMARY

Report for:	Standards Committee
Date of meeting:	11th June 2015
PART:	I
If Part II, reason:	

Title of report:	INTRODUCTION TO THE STANDARDS COMMITTEE
Contact:	Steve Baker, Assistant Director (Chief Executive's Unit) Directline: 01442 228229, internal extension: 2229 steve.baker@dacorum.gov.uk
Purpose of report:	To advise Members of the role of the Standards Committee and the Independent Person in promoting and maintaining high standards of conduct by Members of the Council.
Recommendation	<ol style="list-style-type: none"> 1. That the Committee note the report on the role of the Standards Committee and the Independent Person. 2. That the Committee appoint a sub-committee consisting of the Chairman and four other members of the Committee to shortlist and interview candidates for independent members and to make recommendations to Council. 3. That the Committee instruct the Monitoring Officer to arrange for appropriate training for the Members of the Committee at the next scheduled meeting on 17 September 2015.
Corporate objectives:	The promotion and maintenance of high standards of conduct by Members of the Council will assist the Council in achieving its priorities of performance excellence and reputation and profile delivery.

Implications: 'Value For Money Implications'	There are financial and efficiency costs to the Council in having to deal with complaints made under the Code of Conduct. There are, therefore, value for money benefits to the Council in striving to ensure that complaints against Members are minimised as far as possible and any complaints that are received are dealt with as cost effectively as possible.
Risk Implications	The risk to the Council in not having in place a robust local standards regime could damage its reputation for good governance and undermine public confidence in the Council as a whole.
Monitoring Officer	This is a report prepared by the Assistant Director (Chief Executive's Unit) in his capacity as Monitoring Officer.
Consultees:	None
Background papers:	Appendix 1: The Code of Conduct For Members Appendix 2: Measures For Standards of Conduct Appendix 3: Complaints Procedure Appendix 4: Complaint Form Appendix 5: Register of Members' Interests Appendix 6: Independent Members – Information For Candidates Appendix 7: Independent Members – Application Form

BACKGROUND REPORT

The Code of Conduct

1. Prior to the Localism Act 2011, all members of local authorities were subject to a national model code of conduct. Local authorities were required to adopt the model code of conduct and all members, upon taking up office, had to sign an undertaking that they would observe the code. Each local authority had to appoint a Standards Committee which had statutory powers to impose sanctions on members who were in breach of the code, including the power to suspend a member for up to six months. Serious breaches of the code could be referred to the Standards Board for England and penalties of up to five years disqualification could be imposed.
2. The Localism Act 2011 (the Act) abolished the Standards Board for England and the model code of conduct. It also removed the

requirement to appoint a standards committee. Under the Act the Council is still under a statutory duty to promote and maintain high standards of conduct for its elected and co-opted members. This duty also applies to the Parish and Town Councils.

3. The Act replaced the former model code of conduct with a requirement for each local authority to adopt its own local code governing elected and co-opted members' conduct when acting in an official capacity. The term "official capacity" is defined as meaning when a member is conducting the business of the Council, or when a member is acting, claiming to act or giving the impression that they are acting as a representative of the Council.
4. The Act leaves open for each local authority to decide for itself what provisions its local code should contain, but with two exceptions.
5. The first exception is that the Code must, when viewed as a whole, be consistent with the seven principles of public life. These principles first appeared in a report of the Committee For Standards in Public Life published in 1995 and are also referred to as the 'Nolan Principles' after the then chairman of the Committee, Lord Nolan. The seven principles are -
 - Selflessness
 - Integrity
 - Objectivity
 - Accountability
 - Openness
 - Honesty
 - Leadership
6. The second exception is that the Code must contain provisions which the Council considers appropriate for the registration and disclosure of: -
 - (a) disclosable pecuniary interests, and
 - (b) interests other than pecuniary interests.

'Disclosable pecuniary interests' (DPIs) are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012. There are seven different types of DPIs described in the Regulations and they are set out in full in the Code. In particular, it should be noted that under the Regulations a member only has to register or disclose a DPI which they may have, or which their spouse or civil partner, or a person with whom they live as husband and wife, or as if they were civic partners may have. The Regulations do not therefore require a member to register or disclose DPIs which other members of their family, or close friends or associates may have. A copy of the Code

which was adopted by the Council on 11th July 2012 is included with this report at Appendix 1.

7. Interests other than pecuniary interests are not defined in the Act or Regulations and it is therefore for the Council to decide what these should be. The Council decided that it would replicate the personal interests which were contained in the national model code of conduct which existed before its abolition by the Localism Act 2011. Other personal interests, unlike DPs, also extend to a member's wider family and close friends and associates.

The Standards Committee

8. Although the Act requires the Council to have a Code, as can be seen from above, apart from the rules on the registration and disclosure of DPs, it is largely left to the Council to choose for itself what the Code says. This means that the Code can be changed by agreement of full Council apart from the provisions relating to DPs. However, any amendments to the Code must still be consistent with the Nolan Principles referred to above. One of the functions of the Standards Committee is to keep the operation of the Code under review and to make recommendations to Council if it decides that changes are appropriate.
9. As already explained, prior to the Localism Act 2011, the Council was legally required to appoint a Standards Committee. As well as Borough Council members the Committee also had to include Parish and Town Councillors and at least three 'independent' members, one of whom had to be the chairman. The Standards Committee dealt with all but the most serious complaints about members and it had the power to impose sanctions, including the power to suspend a member for up to six months.
10. The Act removed the requirement to appoint a Standards Committee and it is therefore a matter of choice for the Council as to whether it appoints a Standards Committee. However, as can be seen below, the Act requires the Council to have a process in place to deal with complaints made about members. The Council decided to appoint a Standards Committee to promote and maintain high standards of conduct and to have oversight of the way the Council deals with complaints about its members.
11. The Act removed the power for a Council to suspend a member for a serious breach of the Code of Conduct and therefore the Standards Committee can no longer exercise that power. The Committee can recommend a range of other sanctions against a member who has been found to be in breach of the Code. The full terms of reference for the Standards Committee, including the range of sanctions which can be recommended to Council, are set out in Appendix 2.

12. The Council has decided that the rules of political proportionality should not apply to the Standards Committee and that it will consist of five Borough Councillors, two co-opted Parish and Town Council members and two co-opted independent members. The Parish and Town Council members and the independent members can take part in any discussions but cannot vote. The Chairman is elected by the members of the Committee.
13. The two seats for the independent members are currently vacant. At the last Standards Committee meeting on 5 March 2015 the Monitoring Officer was instructed to advertise the two vacancies and that a Sub-Committee comprising the Chairman and four other members of the Committee be set up to short-list and interview candidates and make a recommendation on appointments to the Council. The Committee also agreed the content of the Information for Candidates and the application form. Both documents are included as Appendices 6 and 7 respectively.
14. The advertisement will appear in the Summer Dacorum Digest and the closing date for applications is 29 June. Interviews will take place between 30 June and 9 July and suitable candidates can be recommended for appointment at the Council meeting on 15 July. The Committee is recommended to appoint the Sub-Committee.

Appointment of Independent Person

15. Under the Localism Act 2011 the Council must have in place “arrangements” under which allegations that a member (including a Parish or Town Council member) has breached the Code of Conduct can be investigated and decisions on those allegations can be made. The Act also states that such arrangements for dealing with complaints must include provision for the appointment of at least one Independent Person.
16. The Independent Person is appointed through a process of public advertisement, application and appointment by the Council. The Independent Person must be independent of the Council to the extent that they must not have been an officer or an elected or co-opted member of the Council or any Parish or Town Council in the Borough within the last five years. The Independent Person cannot also be a relative or close friend of a current member or officer of the Council or any Parish or Town Council in the Borough.
17. The Independent Person is not a member of the Standards Committee but is invited to attend all meetings of the Committee. The Council’s Independent Person is Rachel Keil who was appointed on 21 November 2012 and reappointed for a second term on 19 November 2014.

The Complaints Process

18. The Independent Person plays an active role in the Council's arrangements for dealing with complaints about members. The Independent Person must be consulted by the Monitoring Officer whenever a complaint about a member is received. Under the Council's Complaints Procedure for dealing with complaints about members, the Monitoring Officer, in consultation with the Independent Person, carries out an initial assessment of the complaint and decides whether it should be investigated. When reaching a decision as to whether or not a complaint justifies further investigation the Monitoring Officer must take into account the assessment criteria contained in the Complaints Procedure. The complaints process was approved by Council and a copy of the Complaints Procedure and the Complaint Form are included as Appendices 3 and 4. There is a similar Complaints Form where the complaint is made about a Parish or Town councillor.
19. The process also allows the Monitoring Officer to seek to resolve a complaint informally without the need for a formal investigation. The Monitoring Officer is required to report regularly to the Standards Committee on the number and nature of complaints received and the decisions taken on them. If the decision is to refer a complaint for investigation the Monitoring Officer will arrange for an investigator to be appointed. The investigator will normally be a solicitor from within the Council's Legal Team.
20. If the investigation report concludes that there is no evidence of a breach of the Code of Conduct, the Monitoring Officer must consult with the Independent Person and, if satisfied with the report, can decide that no further action be taken.
21. If the investigation report concludes that there is evidence of a breach of the Code the Monitoring Officer will refer the complaint to the Standards Committee for a hearing. It may still be possible for the Monitoring Officer to seek an informal resolution at this stage but only after consultation with the Independent Person.
22. If after having held a hearing into a complaint the Standards Committee find that a member has failed to comply with the Code, it can consider what sanction, if any, should be recommended. Before coming to its decision the Committee must first consult with the Independent Person.
23. Although the Council or the Standards Committee has no power to suspend a member who has breached the Code, under the Localism Act 2011 it is an offence to fail to register or disclose a disclosable pecuniary interest. The offence carries a fine of up to £5000 and the court can also disqualify a member for up to five years.

Completion of Register of Members' Interests

24. There is a duty under the Act to compile and maintain a register of interests for all members of the Borough Council and the Parish and Town Councils. The register must be available for public inspection and published on the Council's website. A copy of the form for registering members' interests is included as Appendix 5. A similar form is used for Parish and Town councillors.
25. The register is available in paper form for public inspection and is kept in the office of the Member Support Team. The completed forms have been uploaded on to the Council's website and appear in each Member's individual profile. The registers for the Parish and Town Councils have also been uploaded on to the Council's website.

Training for Members of the Standards Committee

26. It is important that the Independent Person and the members of the Standards Committee receive training on the Code of Conduct and, in particular, the complaints handling process. It is therefore recommended that the Monitoring Officer is instructed to arrange appropriate training for the Independent Person and the members of the Standards Committee in consultation with the Chairman of the Committee.