



Report of the Assistant Chief Executive (Corporate Governance)

Standards Committee

Date: 16th December 2009

Subject: Standards Committee Half Year Progress Report

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1. The purpose of the report is to seek comments from the Standards Committee on the following draft report advising the Corporate Governance and Audit Committee of the work completed by the Standards Committee to date in the 2009/10 Municipal Year.
2. It is proposed that this report constitutes the second of the 6 monthly updates, to be presented to the Corporate Governance and Audit Committee at its meeting on 13th January 2010.
3. The Standards Committee Terms of Reference¹ outlines the functions that the Committee is authorised to discharge. Paragraph 3 of this report sets out the work the Committee has done since May 2009 to fulfil each of these functions. In some cases, further information will need to be added after this meeting. These areas are highlighted in bold.
4. Members of the Committee are asked to:
 - approve the draft report;
 - make any suggestions for additional content; and
 - agree to refer this report to the Corporate Governance and Audit Committee for further consideration.

¹ See Part 3 Section 2B of the Council's Constitution.

1.0 Purpose Of This Report

- 1.1 To seek comments from the Standards Committee on the following draft report advising the Corporate Governance and Audit Committee of the work completed by the Standards Committee to date in the 2009/10 Municipal Year.

2.0 Background Information

- 2.1 The terms of reference of the Corporate Governance and Audit Committee include the function to “review the adequacy of Council’s Corporate Governance arrangements”, which includes the arrangements to ensure the appropriate conduct of Members and officers.
- 2.2 In order to support this function Corporate Governance and Audit Committee, at its meeting on the 19th April 2006², requested that the Standards Committee produce a report on their work to be presented to this committee every 6 months.
- 2.3 The Standards Committee Annual Report for 2008/09 was presented to the Corporate Governance and Audit Committee on 30th June 2009, to constitute the first of these 6 monthly updates for 2009/10. It is proposed that this report constitute the second of these 6 monthly updates to be presented to the Corporate Governance and Audit Committee at its meeting on 13th January 2010.

3.0 Main Issues

- 3.1 The Standards Committee Terms of Reference³ outlines the functions that the Committee is authorised to discharge. The paragraphs below set out the work the Committee has done since May 2009 to fulfil each of these functions.

To advise the authority on the adoption or revision of a Code of Conduct for Members and to promote, monitor and review the operation of the Members’ Code of Conduct.

- 3.2 The Standards Committee submitted a response to the Communities and Local Government consultation paper ‘Communities in control: Real people, real power – Codes of conduct for local authority members and employees’ on 24th December 2008. The consultation response is due to be published shortly, and the revised Members Code of Conduct is due to be released by May 2010.
- 3.3 The Standards Committee seeks to reassure itself that the Members’ register of interests (which includes gifts and hospitality) is being reviewed and updated by Members on a regular basis. The Committee receives annual reports to this effect, the last report on this subject having been considered on 8th July 2009. The Committee was satisfied that the review arrangements in place are fit for purpose.
- 3.4 A questionnaire was also sent to Parish Clerks at the end of October 2007 to assess the ethical arrangements in place at their Parish or Town Council, the results of which were presented to the Committee at its meeting on 16th October 2008. The Monitoring Officer, Chair and Parish Members of the Committee then met to discuss the results in detail and agree on the actions to be taken. The results of this meeting

² See Minute 60 of the meeting of the 19th April 2006.

³ See Part 3 Section 2B of the Council’s Constitution.

were reported to the Committee on 8th July 2009. Individual letters and guidance packs will be sent to the Parish Councils that took part in the audit, however any actions relating to the Members' Code of Conduct will be delayed until after the release of the new Code by Communities and Local Government.

To consider and determine one or more local codes of conduct for Members or protocols for Member/officer relations and to promote, monitor, review and amend such codes of conduct or protocols.

- 3.5 The Standards Committee has responsibility for several local codes and protocols in the Constitution. To ensure that these are operating effectively, are being complied with, and are fit for purpose the Standards Committee receives regular reports regarding these codes and protocols during the municipal year.
- 3.6 To date the Standards Committee has amended the Code of Practice for the Determination of Licensing Matters, which now includes a Protocol for Licensing Site Visits. The Standards Committee Media Protocol was considered in December 2009 (***further information to be added after 16th December meeting***), and the Monitoring Officer Protocol will be considered in February 2010.
- 3.7 Member Management Committee is currently reviewing the relevant Local Codes and Protocols to ensure that a representative Member's view is fed into the process. Therefore, the review of the Code of Practice for the Determination of Planning Matters will not be considered until April 2010. The annual review of the Code of Practice for the Determination of Licensing Matters will also be submitted to the Committee in April 2010. In addition, the Committee has delayed consideration of any of the Codes and Protocols which will be affected by the introduction of the new Member and Officer Codes of Conduct.

To appoint sub-committees to consider and initially assess or review decisions not to act in respect of any written allegations made against Members.

- 3.8 At its meeting on 1st July 2008, the Standards Committee approved the final proposals for the local assessment arrangements. The Committee agreed to appoint an Assessment Sub-Committee to carry out the initial assessment of any written allegation of misconduct under the Members Code of Conduct, and a Review Sub-Committee to review such allegations.
- 3.9 During the current municipal year, the Assessment Sub-Committee has considered six complaints in total. In relation to three of the complaints, no further action was taken. In two cases, part of the complaint was referred for investigation, and in the remaining case the whole complaint was referred for investigation. All of these investigations are currently ongoing. The Sub-Committee has also considered a report on the action taken to comply with the Sub-Committee's direction to take 'other action' in relation to part of a complaint. The Sub-Committee decided that it was satisfied with the action taken by the Monitoring Officer.
- 3.10 The Review Sub-Committee has met three times, and has considered five review requests. The decision of the Assessment Sub-Committee that no further action should be taken was upheld in all cases.

- 3.11 When the Corporate Governance and Audit Committee considered the Standards Committee Annual Report on 30th June 2009, it requested that future update reports provide information in relation to the complaints received, such as the number of Councillors involved, and the number of complaints received per ward. The six complaints received so far this year concern a total of six Councillors (five Leeds City Councillors and one Parish Councillor). The five Leeds City Councillors represent different wards.
- 3.12 In July 2009, the Standards Committee received a progress report in relation to all complaints received under the Members' Code of Conduct in the previous 12 months. This report also compared Leeds City Council with the national statistics on complaints compiled by Standards for England. The Committee agreed to receive progress reports on a six monthly basis, and the next report is due to be submitted in February 2010.
- 3.13 In October 2009, the Committee was asked to provide comments on a draft procedure for external Code of Conduct investigations, which had been written to address concerns raised by the Committee in relation to the management and length of investigations since the introduction of the local assessment regime. Members of the Committee requested that information regarding the cost of investigations and relevant assurances regarding the investigators' performance be reported to the Committee. This information will be included in the Local Assessment progress reports highlighted in paragraph 3.12.
- 3.14 In December, the Committee considered a report reviewing its Local Assessment arrangements, including whether the subject Member should be notified of the existence of a complaint before the Assessment Sub-Committee has met to consider it (***further information to be added after the 16th December meeting***).
- To arrange for the consideration and determination of any complaints made against Members and the determination of any sanction to be imposed on a finding of misconduct.***
- 3.15 Due to the increased membership of the Standards Committee (from ten members to fourteen), and in the light of updated guidance from Standards for England, the Committee received a report in July asking it to consider options for receiving final investigation reports, and how hearings might be conducted.
- 3.16 The Committee agreed that a Hearings Sub-Committee should be created to hold determination hearings as too many Members would be involved if this function was carried out by the full Standards Committee, which may intimidate the parties involved, and could also cause difficulties in reaching a decision. It was agreed that the Hearings Sub-Committee should consist of five members (two independent, two Leeds City Councillors and one Parish Councillor), and should be chaired by the Chair of the Standards Committee or his nominee.
- 3.17 Members also decided that the function of receiving final investigation reports should remain with the Assessment Sub-Committee, as these meetings are already scheduled, and there would be no need to set up a fourth Sub-Committee.
- 3.18 The Assessment Sub-Committee considered two final investigation reports in August. In one case, the subject Member was alleged to have used their position as a Member improperly to confer or secure an advantage or disadvantage, and

brought their office or authority into disrepute. In the second case, the complainant alleged that the subject Member had brought their office or authority into disrepute. In both cases, the investigating officer found no evidence of any failure to comply with the Code of Conduct, and the Assessment Sub-Committee agreed with this finding. Therefore, no hearings have been carried out during the current municipal year.

To consider and determine applications for dispensations.

- 3.19 The Standards Committee has not received any applications for dispensations in the current municipal year.

To make representations to the Corporate Governance and Audit Committee where representations (on behalf of the Council) are required to be made to external agencies, about any matter relating to general principles of conduct, model codes of conduct and the codes of conduct or protocols approved from time to time by or on behalf of the Council and to make representations on its own behalf.

- 3.20 The Council was shortlisted in the 'Standards and Ethics' category of the Local Government Chronicle (LGC) Awards 2009, and an entry has been submitted for the 2010 awards. Entries to this award must show how local politicians, officers and the standards committee are working together to champion ethical standards in their authority, and how this work has made a positive difference to perceptions of local democracy and public trust in their area. The Council will find out whether it has been shortlisted in December 2009.

- 3.21 In March 2008, Standards for England commissioned Cardiff University to assess the impact and effectiveness of the ethical framework in local government. The research is being carried out over 5 years using in-depth case studies of nine local authorities. Leeds City Council was selected to take part and accepted. It will focus on the impacts of standards frameworks on processes, systems, cultures and values within local government. The project will also use public surveys and focus groups to explore any impacts of local standards frameworks on levels of public trust in local government.

- 3.22 Case study work is being conducted with Council at two-yearly intervals, the first round of which took place in September 2008. This included interviews being conducted with Members, key officers, local stakeholders and public focus groups. The results of the first case study were provided to the Council in July 2009, and are available on Standards for England's website at:
<http://www.standardsforengland.gov.uk/Resources/Research/2009reports/SBE%20Research%20Report%20Final%20Year1%2022.04.09.doc2.pdf>

- 3.23 The Chair and a Parish member of the Standards Committee also attended the Eighth Annual Assembly of Standards Committees held by Standards for England on 12th and 13th October 2009, which provided opportunity for training and guidance and also feedback to Standards for England on their work. The Chair of the Standards Committee was also a member of the steering committee for this year's conference, and was a speaker on the features of highly effective standards committees. The Monitoring Officer also attended and co-presented a workshop on managing investigations with confidence.

- 3.24 The Independent Members of the Committee have maintained their involvement with the Standards Committee Independent Members Forum for the Yorkshire and Humberside Region this year. The Forum enables the sharing of good practice between local authorities and consultation and discussion on the various codes and protocols.
- 3.25 The Standards Committee is kept up to date on national conduct issues by receiving regular Standards for England Bulletins via email and issues of the Town and Parish Standard. Members also considered the Standards for England Annual Review 2008/09, which included a feature on Leeds City Council as a best practice case study. Finally the Standards Committee is able to monitor the way in which the Code of Conduct is being interpreted and how sanctions are applied at a national level through the regular reports it receives on Adjudication Panel for England cases.
- 3.26 From 2009, the Council is required to produce an annual return for Standards for England. This asks questions on topics such as the role of the Standards Committee, what the Committee does to promote standards, and Member/officer relations. Standards for England will use this information to drive up performance, champion the work of standards committees and ensure they have an overview of local standards frameworks.
- 3.27 The annual return for 2009 was submitted in June (incorporating comments from the Monitoring Officer and the Chair of the Standards Committee), and was presented to the Committee in July. It was agreed that the annual return should be published on the Council's website and received by full Council. In future, the annual return will be included within the Committee's annual report to avoid any duplication. Quarterly returns are also submitted to Standards for England in relation to local assessment.

To provide advice and guidance to Members and officers and to make arrangements for training in matters relating to codes of conduct and protocols.

- 3.28 Through the results of the ethical audit carried out in 2006 with the Audit Commission, the Standards Committee identified a general lack of awareness and understanding amongst officers of the ethical framework. As a result the Committee requested that work be carried out by Human Resources to create a new ethical framework training and awareness programme for officers. The Committee were provided with an update on progress with this in October 2008. A further progress report was presented to the Committee in July 2009, which detailed some of the activities undertaken such as including ethical governance questions in the Staff Survey and the 360 degree appraisals for senior officers. A report detailing the results of these ethical governance questions is due to be presented to the Committee in February 2010.
- 3.29 The Standards Committee also features heavily in the regular bulletin 'Governance Matters' which is distributed to all Members of the Council and selected officers. This bulletin contains a 'spotlight on' section which provides advice on specific standards or governance issues, front page news and feedback from the Council's governance committees.

To consider and advise the Council with respect to the adoption or amendment of a Code of Conduct for officers and to promote, monitor and review the Code of Conduct.

- 3.30 As reported at paragraph 3.2 the Standards Committee submitted a response to the Communities and Local Government consultation on the Code of Conduct for Members and officers. The introduction of a national model officer code was supported by the Committee. A further consultation on the officer code is expected in 2010.
- 3.31 Further to the recommendation of the Corporate Governance Committee that the Council's Officer Code of Conduct be reviewed to ensure that it is fit-for-purpose, a report was presented to the Standards Committee in October proposing a series of minor amendments to ensure that the Code is up-to-date, particularly in relation to technological changes. The Committee supported these amendments which will now be consulted upon with representative trade unions.

To consider any application for exemption from political restriction which is made to the Committee.

- 3.32 The Local Government and Public Involvement in Health Act 2007 amended the Local Government and Housing Act 1989, transferring powers in relation to politically restricted posts from an Independent Adjudicator to Standards Committees. Therefore, the Standards Committee terms of reference were amended in August 2009 to include the functions of considering applications for exemption from political restriction and giving directions to the authority requiring it to include a post in the list of politically restricted posts.
- 3.33 The Committee considered a proposed procedure for the consideration of politically restricted posts at its meeting on 19th August 2009. Several queries were raised in relation to the procedure, such as how political restriction would be dealt with as part of the Council's recruitment process and how the list of restricted posts would be reviewed and monitored. A further report was submitted to the Committee in October to address these issues.
- 3.34 An application for exemption from the list of politically restricted posts was received by the Committee in August 2009, in relation to the post of Economic Policy and Information Manager. Members of the Committee were advised that this role does not involve reporting to Council Committees or the Executive on a regular basis, therefore it was resolved that the post be removed from the list of politically restricted posts.

On the application of any person or otherwise, to give directions to the relevant authority requiring it to include a post in the list of politically restricted posts.

- 3.35 The Committee has not given any direction to the authority requiring it to include a post in the list of politically restricted posts during the current municipal year.

4.0 Implications For Council Policy And Governance

- 4.1 Producing a report which details the Committee's work throughout the year and the key decisions it has taken promotes transparency in the Committee's actions.

4.2 Through 6 monthly reports to the Corporate Governance and Audit Committee Members and officers can be informed of the Standards Committee's role and its inputs and outputs. This is an objective of the communication plan which seeks to cascade regular information to Members and officers. The annual report will therefore have a fundamental contribution to the corporate governance arrangements of the Council.

5.0 Legal And Resource Implications

5.1 There have been resource implications to some of the work described above, however these costs have been met through existing resources.

5.2 Through monitoring case decisions the Committee is able to keep abreast of any changes in legislation and development of case law.

6.0 Conclusions

6.1 The Corporate Governance and Audit Committee have requested that the Standards Committee produce a 6 monthly report to them on their work throughout the municipal year. The first of these reports for the current municipal year was the Standards Committee Annual Report, presented to the Corporate Governance and Audit Committee on 30th June 2009.

6.2 It is proposed that the above report be presented to the Corporate Governance and Audit Committee at their meeting on 13th January 2010 as the second of these reports.

6.3 Paragraph 3 outlines the Standards Committee Terms of Reference and how the work undertaken by the Committee since May 2009 corresponds with each of the objectives.

7.0 Recommendations

7.1 Members of the Committee are asked to:

- make any suggestions for additional content; and
- agree to refer this report to the Corporate Governance and Audit Committee for further consideration.

Background Documents

Standards Committee agendas: 8th July 2009, 19th August 2009, and 15th October 2009

Report to Corporate Governance and Audit Committee: 'Standards Committee Annual Report 2008/09', 30th June 2009

Minutes of the Corporate Governance and Audit Committee, 30th June 2009