



City of Westminster Standards Committee

Date: 19th July 2011

Classification: General Release

Title: Localism Bill Update

Report of: Head of Legal and Democratic Services

Wards Involved: All

Policy Context: High Ethical Standards

Financial Summary: There are no financial implications arising

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1. Executive Summary

- 1.1 This report puts forward some preliminary considerations resulting from the Localism Bill's proposals as they stand and the Committee is requested to determine its preliminary views in relation to those draft proposals.
- 1.2 The Committee is particularly asked to note that Officers have not set out in this report any firm proposals following the enactment of the Localism Bill, when it will not be necessary to have a Standards Committee. As a result the views of the Committee are sought to enable further detailed consideration to be given to the way forward.

2. Recommendation

That the Committee note the content of the report and offer their views.

3. Background

3.1 In May of last year the Coalition Government published its Programme for Government 2010. This included preliminary details contained within the Localism Bill to abolish the Standards Board regime, Standards for England (the independent regulatory body for local government standards) and the requirement for local authorities to have a Standards Committee. The draft Localism Bill was presented to Parliament on 13th December 2010 and is currently at the Committee Stage of the House of Lords.

3.2 At its last meeting the Committee received a report outlining the proposals that would impact upon the standards regime, as far as was known at the time of writing. The report also put forward for consideration some initial proposals regarding the future of the Standards Committee. The report notes no amendments to proposals contained within Part 1, Chapter 5 (Standards) of the Bill have been made since the last update report to the Committee. These proposals are as follows:

- to abolish Standards for England;
- to remove the First-tier Tribunal's (Local Government Standards in England) jurisdiction over member conduct;
- to remove the national Code of Conduct for councillors and the requirement to have a standards committee;
- to allow councils to choose whether or not they wish to have a local code or a standards committee; and
- to create a criminal offence relating to failure to register or declare interests.

4. Future Considerations - the Standards Committee

4.1 The draft Bill provides the City Council (and all Councils) with a choice as to whether to retain a Standards Committee. If the City Council chooses to abolish its Standards Committee there are various duties and functions which must be transferred to another Committee, Group or Officer(s). If the City Council chooses to retain its Standards Committee it will have a primary duty to ensure that the Council promotes and maintains "high standards of conduct by members and co-opted members" as currently specified within the draft legislation. As such thought must be given to how it might carry-out that duty without the standards regime in place to prescribe protocol.

4.2 One option is to retain the Standards Committee to keep an overview of Member Conduct and ethical governance issues. Meetings could be held perhaps twice a year, unless otherwise needed. If a Standards Committee is retained should it include an independent element?

- 4.3 An alternative option is to transfer these duties to another Committee, most obviously the Audit and Performance Committee. If so, should this Committee also include independent members in some way?
- 4.4 The Local Government Association (LGA) together with the Association of Council Secretaries and Solicitors (ACSeS) has already produced guidance in the area of local authority standards and controls in response to the Localism Bill's draft proposals. The ACSeS considers that a unified code and principles applicable to all councillors are both necessary and desirable and, as such, the two bodies are drafting a standards protocol to fill the anticipated gap. One option open to the City Council would be, in due course, to consider adopting the aforementioned protocol when released.

Overview of Ethical Governance Report

- 4.5 Members will recall that the Standards Committee receives each year a report giving an overview of ethical governance throughout the authority (see item 4 of the agenda). This should, in officers' view, continue to be produced and submitted to the Standards Committee, or alternative Committee in its absence, on an annual basis.

Complaints against Members

- 4.6 One of the duties added as a result of the standards regime is the process for complaints about member conduct. As the current legislation suggests, if the level of misconduct is serious enough to warrant the involvement of the police, the complaint and the Member in question should be dealt with by the authorities and ultimately the courts. However, most complaints do not warrant any such action and the City Council will therefore require some form of procedure for dealing with complaints against its Members. Members of the public ask from time to time how we deal with complaints about Councillor misconduct and rightly expect a process to be in place.
- 4.7 If the Standards Committee is retained, an opportunity arises to break-away from the complaints against Members procedure prescribed by Standards for England and create the Committee's own procedure as it considers appropriate. If the Council chooses to abolish its Standards Committee, a suitable process for dealing with complaints against Members will still need to be devised. The Committee's views are sought.

Members' Code of Conduct

- 4.8 The Standards Committee is currently responsible for advising the Council on the adoption or revision of the Code of Conduct for Members. As reported, the draft legislation states that local authorities will no longer be required to have a code of conduct for Members and may revise, adopt or repeal their existing code of conduct as they wish. As a preliminary indication of the Committee's views, does the Committee consider some form of Code of Conduct for Members to be necessary or desirable and, if so, would it be preferable in principle to adopt the code produced by the LGA (subject to the content)?

5. Governance Overview - Governance Working Group

- 5.1 As the Committee will be aware, outside of the formal Committee process the Council have a Governance Working Group. The Group is lead by the Head of Legal and Democratic Services and has a core membership comprising of officers from service areas across the Council which have responsibility for an aspect of governance. As part of its role the Group oversee the work of the Standards Committee and will take forward the implementation of any changes relating to the Committee as a result of the Localism Bill.

6. Conclusion

- 6.1 It is anticipated that the Bill will receive Royal Assent late 2011 and any subsequent changes will follow shortly after. It is therefore important for the City Council to continue to consider what future governance arrangements it will establish to maintain and self-regulate its existing high ethical standards. As such, the views of the Committee are sought on the issues highlighted in this report.

If you have any queries about this report or wish to inspect any of the Background Papers, Please Contact Naomi Stauber
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Background Papers

- Standards Committee Report - Future of the Standards Regime, 15 November 2010
- Standards Committee Report – Localism Bill Update, 9 March 2011