

STANDARDS COMMITTEE DRAFT ANNUAL REPORT 2013/14**STANDARDS COMMITTEE****17 July 2014****COUNCIL****22 October 2014****CLASSIFICATION:****Open****WARD(S) AFFECTED****All Wards****Gifty Edila, Corporate Director, Legal, HR and Regulatory Services**

1. SUMMARY

- 1.1 This report gives an overview of the work and activities of the Standards Committee over the past year and provides information on the monitoring of the Members' Code of Conduct.

2. RECOMMENDATIONS

- 2.1 **That the Standards Committee consider the Annual Report for 2013/14, as attached at Appendix 1, and endorse it for submission to Council.**
- 2.2 **That Council notes the Standards Committee's Annual Report for 2013/14, as attached at Appendix 1.**

3. RELATED DECISIONS

- 3.1 This is the second Annual Report of the new Standards Committee established by the Council on 1 July 2012. The Annual Report 2012/13 was considered by the Standards Committee on 18 April 2013 and then Council on 26 June 2013.

4. FINANCIAL CONSIDERATIONS

- 4.1 This report sets out the work and activities of the Standards Committee over the past year and therefore does not contain any potential financial implications.

5. COMMENTS OF THE CORPORATE DIRECTOR OF LEGAL, HR AND REGULATORY SERVICES

- 5.1 The Council has a legal duty under the Localism Act 2011, to promote and maintain high standards of conduct of Members and co-opted Members.
- 5.2 The Council established a Standards Committee to promote and uphold high standards of conduct amongst Members and co-opted Members are maintained.

6. BACKGROUND TO THE REPORT

- 6.1 This Annual Report is submitted to Council in line with best practice for the Council to maintain an overview of the work of the Standards Committee. This is the second Annual Report of the Standards Committee established by the Council following implementation of the Localism Act 2011 and the introduction of new ethical governance arrangements.

- 6.2 The Committee is responsible for exercising Council functions relating to the promoting and maintaining of ethical standards amongst Members and Co-opted Members. As part of these functions, the Committee monitors and makes recommendations on the Members' Code of Conduct and considers complaints made under the Code.
- 6.3 The Standards Committee during 2013/14 undertook work in the following areas, which are explained in further detail in Appendix 1 of this report:
- Review of the implementation of new ethical governance arrangements;
 - Monitoring the operation of the Members' Code of Conduct and considering complaints about Member conduct;
 - Review of the Register of Interests;
 - Considering revised terms of reference;
 - Monitoring the Members Induction Programme;
 - Consideration of a report on Council Complaints Improvement Work and Complaints and Members' Enquiry Annual Report;
 - Consideration of a report on the Guidance for Members on Use of ICT; and
 - Consideration of an update on Whistle-blowing complaints.

Gifty Edila
Corporate Director of Legal, HR and Regulatory Services

APPENDICES

Appendix 1 – Standards Committee Annual Report 2013/14

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**STANDARDS COMMITTEE
DRAFT ANNUAL REPORT 2013/14**

1. Introduction from Councillor Sophie Linden, Chair of the Committee and Cabinet Member for ethical governance matters

This report provides an overview of the Committee's work in the 2013/14 Municipal Year, in what was the Committee's second year since its establishment by the Council following the introduction of the Localism Act 2011. This Annual Report outlines the key areas of work undertaken by the Committee during 2013/14 as well as looking at future work and challenges.

I am pleased to report that Members and co-opted members continue to uphold high ethical standards and that the new ethical governance framework introduced in July 2012 is well embedded.

At its first meeting of the Municipal Year on 1 July 2013, the Committee agreed its work programme and held two other meetings – 4 November 2013 and 22 January 2014. In addition, two Sub-Committee meetings were held to consider alleged complaints made against Members of the Council under the Code of Conduct.

It is regrettable that the opposition parties have decided not to take up their place on the Standards Committee for the 2014/15 Municipal Year. The Committee functions in an independent and non-party political way. It will continue to keep the places for the opposition open in the hope that they will be taken up.

2. Membership

For 2013/14, membership of the Committee was as follows:

- Cllr Sophie Linden, Deputy Mayor, ethical governance portfolio holder and Chair of the Committee;
- Five non-executive Council Members – Councillor Simche Steinberger*, Geoff Taylor, Louisa Thomson, Patrick Vernon OBE and Jessica Webb (vice Chair); and
- Five non-voting co-opted members – Julia Bennett, Elizabeth Coates-Thummel, George Gross, Adedoja Labinjo and Onagete Louison.

* Councillor Simche Steinberger resigned from the Committee on 11 December 2013.

The table below outlines Members' and co-optees' attendance at Standards Committee meetings during the 2013/14 Municipal Year. As ever, Members

and co-optees had a large number of alternative commitments such as other public meetings, ward commitments, representing the Council on outside bodies and work commitments, and were therefore not always available to attend every meeting of the Committee.

The table also includes attendance at Sub-Committee meetings. Membership of Sub-Committees comprises two elected Members and one non-voting co-opted member.

Members	Meeting Dates				
	06/06/13 (Sub-Committee)	01/07/13	04/11/13	09/12/13 (Sub-Committee)	22/01/14
Cllr Sophie Linden (Chair)	-	A	P	-	P
Cllr Jessica Webb (Vice Chair)	P	P	P	P	P
Cllr Simche Steinberger	-	A	A	-	N/A
Cllr Geoff Taylor	-	P	P	-	P
Cllr Louisa Thomson	-	P	P	-	A
Cllr Patrick Vernon OBE	P	P	A	P	P
Julia Bennett	-	P	P	-	A
Elizabeth Coates- Thummel	-	A	P	-	P
George Gross	P	P	P	P	P
Adedoja Labinjo	-	P	A	-	P
Onagete Louison	-	P	P	-	P

Key:
P = Present
A = Absent

The Committee's meeting scheduled for 9 April 2014 was cancelled with the agreement of the Chair as there was insufficient business to summon a meeting. The reports scheduled for consideration at this meeting, Members' Compliance with ICT Guidance and Whistle-blowing Update report, were circulated electronically to the Committee for information and noting.

3. Terms of reference 2013/14 and new terms of reference for 2014/15

The Standards Committee operated within the following terms of reference for 2013/14 municipal year –

1. Promoting and maintaining high standards of conduct by the Elected Mayor, Councillors and co-opted members;
2. Assisting the Elected Mayor, Councillors and co-opted members to observe the Members' Code of Conduct;

3. Advising the Council on the adoption or revision of the Members' Code of Conduct;
4. Monitoring the operation of the Members' Code of Conduct;
5. Monitoring progress of the Council's training and development programme for elected Members and voting co-opted members;
6. Advising, training or arranging to train Councillors and voting co-opted members on matters relating to the Members' Code of Conduct and the ethical framework;
7. Granting dispensations to the Elected Mayor, Councillors and voting co-opted members from requirements relating to Interests set out in the Members' Code of Conduct;
8. Monitoring the progress of the Council's Members Enquiry Protocol, Corporate Complaints Procedure and Local Government Ombudsman cases;
9. Conducting an ethical governance audit on behalf of the Council;
10. Advising the Council on codes and protocols forming the Council's ethical framework and its governance arrangements, monitoring the effectiveness of those arrangements and making reports and recommendations accordingly;
11. Advising the Council on the adoption, alteration, review or amendment of any part of the Council's constitution in so far this affects ethical issues;
12. Hearing complaints against Councillors and voting co-opted members arising from alleged breaches of the Code of Conduct and Codes of Practice.

New terms of reference for 2014/15

Full Council considered a report on a review of the Council's governance arrangements at its meeting on 11 September 2011. Full Council agreed with a recommendation of the review that the number of meetings of the Standards Committee be reduced to two scheduled meetings per year. Additional Committee meetings will be arranged if required to hear any complaints under the Members' Code of Conduct or any other urgent matters.

Consequently the committee's terms of reference were revised following the governance review. A number of changes were proposed to the Standards Committee's terms of reference. An overview of the changes can be viewed by following this link - [Revised Standards Committee terms of reference](#). The Committee noted a report outlining proposed changes to its terms of reference at its meeting on 22 January 2014.

Changes were proposed to the terms of reference to make them more concise. The only significant change proposed to the terms of reference was to remove from the Committee's responsibility for monitoring the Members' Enquiry Protocol and Corporate Complaints Procedure. Following the recommendation of the governance review that the Committee should meet twice a year, it was felt that the Committee's focus at these two meetings should be exclusively on ethical governance matters. In addition, it was felt that the Members' Enquiries and Corporate Complaints should more appropriately be reported to Cabinet and the Governance and Resources Scrutiny Commission as these matters are executive functions.

A further change was proposed to include a new term to clarify that the Committee is responsible for adopting its own procedures for considering complaints made under the Members' Code of Conduct, and supporting codes of practice and protocols.

Full Council met on 26 March 2014 and agreed the revised Standards Committee terms of reference to take effect from 11 June 2014 as follows –

1. To review and maintain oversight of the Council's ethical framework and procedures and make reports and recommendations accordingly;
2. To review and maintain oversight of the conduct of Members and co-opted members of the Council and assist them in upholding high ethical standards;
3. To advise Full Council and its Committees on the adoption of a Members' Code of Conduct, codes of practice and protocols relating to ethical governance matters;
4. To hear and consider complaints made against Members and co-opted members under the Code of Conduct, codes of practice or protocols;
5. To adopt procedures for considering complaints made under the Code of Conduct, codes of practice or protocols;
6. To consider whether to grant applications for dispensation to Members and co-opted members, in accordance with Members' Code of Conduct; and
7. To maintain oversight of ethical governance training provided to Members and co-opted members and make reports and recommendations accordingly.

4. Review of New Ethical Governance Framework 2012-13

Following extensive work by the previous Standards Committee, the Council approved new ethical governance arrangements to take effect from 1st July 2012 to reflect changes introduced by the Localism Act 2011. In order to comply with its legal duties a new Members' Code of Conduct was adopted and new procedures were put in place for hearing complaints, granting dispensations, and compiling a Register of Members and Co-opted Members Interests. In addition, new guidance was issued, Licensing and Planning Codes of Practice were adopted and Mr Jonathan Stopes-Roe was appointed to the new statutory role of the Independent Person on Ethical Governance Matters.

The Committee was keen to review the implementation of the new ethical governance framework and consequently received a report from the Monitoring Officer at its meeting on 1 July 2013 which reviewed the operation of the framework one year after its introduction. The report reflected on experiences from the first year of operation of the new framework and gave feedback on the Code of Conduct, training and guidance provided to Members, completion of Register of Interests forms, dispensation, investigation of complaints, and the appointment of the Independent Person.

The Committee was pleased to note the successful implementation and operation of the new ethical governance framework.

As detailed within the report, the Committee shared the Monitoring Officer's concern that there was some confusion around Members' understanding of pre-determination rules and the extent to which they could participate in decision-making after they had actively assisted an individual or external body, in a matter concerning that individual or body. The Monitoring Officer has indicated that this is an area she will specifically focus on as part of the training provided to Members after the 2014 local elections, to ensure that all Members are aware of their responsibilities and the rules concerning pre-determination.

The Committee was also concerned at the low number of Members and Co-optees who had attended training on the new Code of Conduct. The Committee hopes that all Members and Co-optees attend training on the Code in the new electoral term.

The Committee in particular noted the report of the Committee on Standards in Public Life published in January 2013 called 'Standards matter – A review of best practice in promoting good behaviour in public life'.

The Committee on Standards in Public Life stated within the report - *"The new, slimmed down arrangements have yet to prove themselves sufficient for their purpose. We have considerable doubt that they will succeed in doing so and intend to monitor the situation closely. The arrangements place a particular onus on the Local Government Association to provide leadership for the sector and to ensure that they work in practice."*

The Committee on Standards in Public Life also expressed concern at the removal of local authorities' power to suspend a Member for breaching the Code of Conduct. The only sanctions now are censure or criminal prosecution. Some recent examples in local government of misconduct would not pass the criminal standard of proof but required a stronger sanction which is more than censure.

Members of the Standards Committee believe that although current arrangements operate as best they can within the legal framework permitted by the Localism Act 2011, they share the concerns of the Committee on Standards in Public Life and believe that the Localism Act 2011 weakened local authorities' powers to deal with complaints against Members.

The Committee regrets also that under the Localism Act local residents are no longer permitted to chair the Committee or vote on any matters. Nonetheless, the Co-opted members of the Committee play a continuing and important role in providing independent scrutiny of the Council's ethical framework and in helping to inform decisions of the Committee. The Co-opted members have a significant voice when the Committee considers any allegation against a Member who is alleged to have breached the Code of Conduct and no

decision is made without hearing the views of the Co-optees first. Although legislative changes mean that co-optees no longer have a vote, all Members of the Committee, including co-optees, unanimously agreed the outcome of the hearing, before the elected Members voted on the matter, and took the final decision.

5. Members' Code of Conduct

Comments were made at a Standards Committee hearing on 4 November 2013 that the Code of Conduct and Licensing and Planning Codes of Practice should be amended to specify clearly that a breach of one of the Codes of Practice would amount to a breach of the Code of Conduct. This change was agreed by Full Council on 26 March 2014.

6. Review of Register of Declaration of Interests Forms

Following the Localism Act 2011 being implemented in July 2012, the Council issued a new form to all Members and co-optees to be completed and returned. The new Register of Interest form incorporated the legislative requirement that Members declare their own pecuniary interests, as well as any pecuniary interests of their spouse or civil partner, or anyone living with them as if they were their spouse/civil partner. The Council also took the view that Members should continue to declare any bodies and organisations of which they are members and any gifts or hospitality received in their role as a Member.

The Corporate Director of Legal, HR and Regulatory Services, who is also the Council's Monitoring Officer, is responsible under the Localism Act 2011 for establishing and maintaining a Register of Members and co-opted members interests and for ensuring that the Register is published on the Council's website. As part of this duty, the Monitoring Officer routinely monitors and reviews the Register of Interest forms completed by Members and co-optees in order to ensure they have been completed correctly.

To assist Members and Co-optees new Council guidance on completing Register of Interest forms was issued in July 2013 and Members and Co-optees were invited to check and review their forms. The revised guidance reflected on experiences since the introduction of the new ethical governance framework in July 2012 and sought to provide greater clarity on the requirements to declare interests.

In addition, in September 2013 the Monitoring Officer circulated to all Members a plain English guide issued by the Government: "*Openness and transparency on personal interests*". The guide sought to clarify statutory matters that Members must declare and re-enforced the need for Members to declare membership of any trade union. The Council's guidance is compatible with the guide issued by the Government.

The Committee was pleased to note at its meeting on 22 January 2014 that the Mayor, all 57 Councillors and all co-optees of the Council had completed their forms and that many Members regularly updated their forms as circumstances changed.

It was noted that some forms, although largely accurate, had omitted to declare political party membership in the appropriate place and/or had declared the names of their spouse/partner when such details were not required. Although these issues were not substantial, the Monitoring Officer wrote to all Members concerned in January 2014 asking them to amend their forms.

Following the May 2014 local and Mayoral elections, all newly elected Members and new co-optees will be required to complete a new form. Those Members who are re-elected need only update their forms if circumstances have changed. Further training and written guidance will be provided to Members following the election. During the next municipal year, the Committee will have particular regard to Members' compliance with requirements to complete and return a Register of Interests form.

7. Training on the Members' Code of Conduct and Members' Induction Programme 2014

All Members on their election to office and co-optees on their appointment are required to sign a declaration confirming that they will abide by the Members' Code of Conduct. It is important for them to have good knowledge of the requirements of the Code. Similarly, officers who work directly with Members and co-optees need to have a good understanding of the Code in order to give Members effective support.

Four training sessions were initially provided to Members and co-optees during the 2012/13 Municipal Year following the introduction of the new ethical governance arrangements. No new training sessions were provided during the 2013/14 municipal year.

The Committee received a report at its meeting on 22 January 2014 which outlined the proposed Induction Programme for Members following the Mayoral and local elections. The Committee commented that it should be a priority for Members to undertake new training on the Code of Conduct and urges all Members to attend a session as soon as possible following their election to office. At the Committee's request, officers also developed an e-learning Code of Conduct module for Members. This request was in recognition of the fact that Members have a large number of commitments and that the module would provide Members with an opportunity to supplement their learning.

The Committee will continue to monitor training for Members as part of its 2014/15 work programme and will be particularly keen to monitor attendance at seminars and completion of e-learning modules following the May 2014

elections. The Committee will also review feedback on the training and the e-learning modules.

8. Complaints about Member Conduct

The standard of conduct by Members and co-optees of the Council has been consistently high.

During the 2013/14 Municipal Year, the Standards Committee received six complaints under the Members' Code of Conduct.

The first complaint was made in February 2012 against a Member of the Council and was referred for investigation by an Assessment Sub-Committee which met on 29 March 2012. Regrettably, due to unforeseen circumstances the investigation was delayed and did not proceed as is usually expected. This complaint was referred back to an Assessment Sub-Committee which met on 6 June 2013 following an investigation and the complaint was referred to a full hearing of the Standards Committee on 4 November 2013. The complaint was upheld and the Committee's finding was reported to Full Council on 29 January 2014.

Five complaints were received in April 2013 from separate complainants against the same Member of the Council. An Assessment Sub-Committee met on 6 June 2013 and referred the matter for investigation. The Assessment Sub-Committee met again on 9 December 2013 and decided that no further action be taken in respect of one of the complaints. The Assessment Sub-Committee referred the other four complaints to a full hearing. These four complaints were however, eventually discharged following an apology from the Member concerned to the complainants and the complaints being resolved to the Monitoring Officer's satisfaction.

9. Dispensation

Under the Council's Dispensation Procedure, the Standards Committee is responsible for considering requests for dispensations on the grounds that it is in the interests of residents or that it is otherwise appropriate to grant dispensation for some other reason.

No requests for dispensation were received during the 2013/14 Municipal Year.

10. Guidance for Members on Use of ICT

Following the cancellation of the April 2014 meeting of the Standards Committee, this report was sent to Members and co-optees of the Committee on 7 April 2014 via email for their information. The Committee was pleased to note that there had been no complaints or breaches of the Guidance for Members on Use of ICT during 2013/14.

11. Complaints about the Council and Whistle-blowing Complaints

Complaints Improvement Work and Complaints and Members' Enquiry Annual Report 2012/13

In line with its terms of reference, the Standards Committee at its meeting on 1 July 2013 received the Annual Report on Complaints Improvement Work and Complaints and Members' Enquiry Annual Report 2011/12. This will be the last such report that the Committee consider.

The report provided detailed information on the volume of complaints, time taken to reply and the percentage of complaints resolved at each stage of the Council's procedure. It provided demographic information on who is contacting the Council to make a complaint; how these contacts are made; the issues most often complained about; customer satisfaction with how these complaints were handled and a summary of the actions being taken to address the more serious issues of concern that are being raised by residents.

The Committee noted the changes being implemented to the complaints procedure and particularly welcomed the process for ensuring that all initial responses were checked by an assistant director. The Committee believed that more intensive engagement at a senior level would hopefully improve the quality of responses and ensure that complaints were resolved at an earlier stage.

Following Full Council agreeing to amend the Committee's terms of reference with effect from the start of the next municipal year, the Committee will no longer receive annual reports on complaints improvement work and complaints and Members' enquiries. These reports will however, continue to be monitored by the Executive and the Governance and Resources Scrutiny Commission. Any reports submitted to the Executive and/or Governance and Resources Committee will be emailed to the Standards Committee for their information and comments.

Whistle-blowing Update report

Following the cancellation of the April 2014 meeting of the Standards Committee, this report was sent to Members and co-optees of the Committee on 7 April 2014 via email for their information. The report provided an update on the new whistle-blowing procedure and all referrals made between April 2013 and March 2014.

Following Full Council agreeing to amend the Committee's terms of reference with effect from the start of the next Municipal Year, the Committee will no longer receive annual whistle-blowing progress reports. These reports will however, continue to be considered by the new Corporate Committee. Any reports submitted to the Corporate Committee will be emailed to the Standards Committee for their information and comments.

12. Conclusion

The Standards Committee has now been in operation for two years following its establishment by Council. The Committee remains dedicated to maintaining high ethical standards in Hackney and supporting Members and co-optees in doing so. This has been particularly important during the implementation of the new ethical governance framework, with the Committee monitoring the effectiveness, as well as Member compliance, with the new codes, protocols and procedures that were introduced in response to the Localism Act 2011.

The Committee is pleased to see that the new framework has successfully been put in place. The Committee believes that Council Members and co-optees continue to demonstrate high ethical standards.

The Committee's focus for the next municipal year will be to support Members following the local elections to ensure that they are fully aware of the principles of the Code of Conduct and to monitor attendance at training and completion of Register of Interests' forms.

I thank the 5 co-optees of the Committee for their assistance and hard work on the Committee and the Independent Person, Mr Jonathan Stopes-Roe, for his contribution to our work.

The Committee thanks the Monitoring Officer and the Governance Services Officer for their assistance in the year.

Councillor Sophie Linden
Chair of Standards Committee