

## GOVERNANCE COMMITTEE

22 MAY 2012

### REPORT OF THE MONITORING OFFICER

#### LOCALISM ACT – CHANGES TO STANDARDS LEGISLATION

##### 1.0 PURPOSE OF REPORT

- 1.1 To inform members of the Governance Committee of the changes to the system of regulation for standards of conduct in respect of elected and co opted members of Councils, as a result of the Localism Act 2011. The report highlights the changes and seeks Members views on the actions required to implement the new regime before onward reporting and recommendation to Full Council.

##### 2.0 RECOMMENDATIONS

- 2.1 That the Governance Committee notes the changes made to the regime by the Localism Act 2011.

##### 2.2 *Code of Conduct*

1. Members are requested to consider the options for the development of a new code of conduct and advise the Monitoring Officer of their views;
2. Members views are sought on how officers should proceed regarding any collaboration opportunities that may arise.

##### 2.3 *Ethical Governance Panel and Process for Dealing with Complaints*

1. It is recommended that members consider what approach they wish to recommend to Full Council in respect of the constitution of the Ethical Governance Panel which will need to deal with any complaints post 1<sup>st</sup> July 2012.
2. Members are asked to consider the draft process suggested for dealing with complaints and provide their views on it.
3. That Members consider whether or not they wish to propose to Full Council that a number of parish council representatives be nominated to fulfil an advisory role on the Ethical Governance Panel when Parish Council complaints are being dealt with.

##### 2.4 *The Appointment of Independent Persons*

1. That members provide guidance on the recruitment process, number, prospective remuneration, person specification/job description and interview process to be adopted for these persons.

##### 2.5 *Interests*

1. That members consider the existing Declaration of Interests form and provide any comments on it.
2. That members give consideration to the issue of dispensations;
3. That members give consideration to the issue of 'sensitive information;'

4. That members consider whether the Members should be required to leave the room as part of any new Code where a 'pecuniary interest' exists;
5. That members note the new requirements in respect of the register of interests and that it is now a criminal offense not to register a Disclosable Pecuniary Interest.

### 3.0 KEY ISSUES

- 3.1 Chapter 7 of the Localism Act 2011 (as attached at Appendix A) sets out the provisions in respect of the conduct of members under the new legislation and following the abolition of Standards for England. On 22 December 2011 the Government indicated that whilst the abolition of Standards For England would take place no later than 31 March 2012 the new provisions would not come into force until at the earliest 1 July 2012.

There is no longer a statutory requirement to have a Standards Committee, however each authority will need to put in place arrangements dealing with complaints and standards issues. It is a Council function, so the Council must either deal with it itself, appoint a Committee (politically balanced) or delegate the function to an officer. The current Independent Members and Parish Council representatives will cease to be Members of the Standards Committee and currently it will cease to exist on 1 July 2012 but is required legally until then or any other date that may be set.

The Borough Council will continue to have responsibility to deal with complaints about elected and co-opted Members of Parish and Town Council's in the Borough's area.

There are and will be a number of transitional arrangements which will include the determination of outstanding complaints, removal of the power of suspension from the commencement of the transitional period and removing the right of appeal to the First Tier Tribunal from the start of the transitional period.

### 3.2 Key Issues for Consideration

Due to the extent of the changes and information that needs to be considered by this committee a number of Appendices and their associated attachments set out the detail in respect of each area detailed below. Members are then requested to consider the recommendations in respect of each area.

Appendix A: Localism Act 2011 – Chapter 7

Appendix B: Code of Conduct

Appendix C: Ethical Governance Panel and Process for Dealing with Complaints

Appendix D: The Appointment of Independent Persons

Appendix E: Interests

### 4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 Strong Corporate Governance is important in order to ensure high Standards of Conduct are maintained throughout this change to a new code of conduct and in the implementation of any new systems.

## 5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 The implementation of the new requirements will impact on Democratic Services Resources with particular regard to the Parish requirements.

## 6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 These are contained in the body of the report. Of particular note is the change implemented in the legislation making the non-registration of a discosable percuniary interest within 28 days a criminal offense.

## 7.0 **COMMUNITY SAFETY**

7.1 There are no specific community safety issues.

## 8.0 **EQUALITIES**

8.1 Any new processes will need to ensure that they are accessible to all.

## 9.0 **RISKS**

9.1 The impact and of the changes and their implementation will need to be managed to minimise any risk to the Council reputational or otherwise.

## 10.0 **CLIMATE CHANGE**

10.1 There are no specific climate change issues as a result of this report.

## 11.0 **CONSULTATION**

11.1 The Standards Committee was consulted on these changes and indicated a preference for a light touch code maintaining the need for Councillors to leave the room when they have an interest.

11.2 The Committee may wish to consider how it wishes to engage with members in the development of the new Code of Conduct.

## 12.0 **WARDS AFFECTED**

12.1 All wards are affected.

Contact Officer           Christine Marshall, Strategic Director & Monitoring Officer  
Date:                       10 May 2012

Appendices :           A – Localism Act 2011 – Chapter 7

B – Code of Conduct  
C – Ethical Governance Panel and Process for Dealing with Complaints  
D – The Appointment of Independent Persons  
E – Interests

Background Papers: Localism Act 2011

Reference : X : Committees\Governance\2012/13\22-05-12