

City Council

1 October 2014

(Blakelaw and North Fenham Community Council, Brunswick, Dinnington, Hazlerigg, North Gosforth, and Woolsington Parish Councils)

Standards Committee - Annual Report 2013/2014

Report by: Standards Committee

Ward Implications: All Wards

For Information		
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1. **Summary**

1.1 Standards Committee submits an annual report to full Council on its activities each municipal year. The report is also submitted to the Parish Councils for information.

2. **Recommendation**

2.1 City Council is requested to receive this report.

3. **Background**

3.1 The standards regime changed on 1 July 2012 as a result of the Localism Act 2011 ("the 2011 Act"). The new regime has some mandatory elements, but more scope for local discretion on the arrangements for dealing with standards matters.

Whilst there is no longer a legal requirement for a standards committee, Council decided on 13 June 2012 that it still wished to have one. Council also appointed two independent members to the Committee and agreed it should continue to be chaired by one of them.

This is a report of our activities for the 2013/2014 Municipal Year.

4. **Our Role**

4.1 Our terms of reference and membership for 2013/2014 are set out in Appendix 1.

5. **What we have done**

5.1 This year we have:-

1. Monitored the operation of the Code of Conduct for Members adopted by Council in July 2012.

2. Reviewed the Monitoring Officer Protocol in the Newcastle Charter.
3. Recommended revision of the Code of Conduct for Members (as well as the Code for Non-Voting Co-optees) to reflect the new descriptions of the Seven Principles of Public Life
4. Completed our review of the Employee Code of Conduct.
5. Monitored the numbers of complaints against Councillors and received reports on completed investigations.
6. Monitored the procedures for registering gifts and hospitality.
7. Been represented at the regional meetings of Chairs/Vice Chairs of Standards/Governance Committees and Independent Persons.

6. **Review of Monitoring Officer Protocol**

6.1 The Monitoring Officer is a statutory appointment under Section 5 of the Local Government and Housing Act 1989. The Assistant Director Legal Services is the Council's Monitoring Officer.

The Newcastle Charter sets out the role and responsibilities of the Monitoring Officer. The Monitoring Officer Protocol consolidates the relevant provisions from the Charter.

6.2 As required by the Protocol, the Monitoring Officer has confirmed the Protocol arrangements have been complied with over the last year and he has recommended no substantive changes.

7. **Amendments to the Standards Framework – The Seven Principles of Public Life**

7.1 The 2011 Act provides that the Council's Code of Conduct for Members must when viewed as a whole be consistent with the Seven Principles of Public Life ("the Principles"), ie selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Those Principles are not part of the Code but are set out in Annex 1 to the Code for information. The Principles are also included at Annex 1 of the Code of Conduct for Non-Voting Co-optees.

7.2 The Principles were set out in the First report of the Committee on Standards in Public Life ("CSPL"). The CSPL has recently changed the descriptions of the Principles. We therefore recommended City Council to amend the Code of Conduct for Members and the Code of Conduct for Non-Voting Co-optees to reflect the revised descriptions of the Principles. City Council approved the changes as part of the Charter Review on 5 February 2014.

8. **Code of Conduct for Employees – Review**

8.1 We have completed our review of the Code of Conduct for Employees. The Code had been in existence since 1997, having been reviewed in 2000 and 2004. In addition to updating the Code in line with structural changes, we sought to ensure that the substance of the Code remains fit for purpose.

8.2 We therefore considered and reviewed the Code before recommending a number of changes including the following:-

- Declarations of 'Offers of Gifts' and 'Offers of Hospitality' to be subject to

public access (rather than internal access).

- The requirement to complete forms CCE2 & CCE3 (relating to recruitment and other employment matters and commitments outside of work) to be set at grade N6 or equivalent and above. This reflects the grade for first level supervisory management posts across the Council and equates to the previous threshold level for these declarations prior to the revised pay and grading structure.

8.3 Constitutional Committee considered and approved the revised Code on 3 December 2013. City Council approved the amendments as part of the Charter Review on 5 February 2014.

9. **Dispensations**

9.1 As we reported to Council in June 2012, the provisions on dispensations were significantly changed by the 2011 Act. Under the new regime, we will deal with the granting of dispensations on the more subjective grounds set out in the 2011 Act. We have a sub-committee to deal with any urgent applications received between scheduled meetings. However, we have not had any applications for dispensations since the new regime started.

10. **Parish Councils**

10.1 We are the Standards Committee for parish councils in the City, as well as the City Council. Two parish councillors have been members of the Committee.

10.2 In July 2012, each Parish Council adopted a new Code of Conduct. The Parish Councils were encouraged to adopt a code of conduct identical to the City Council's code, particularly in relation to registerable interests.

10.3 There has been no specific parish council business relating to standards this year, save as mentioned in paragraph 11.3 below.

11. **Complaints against Councillors**

11.1 The Council's arrangements for dealing with complaints against members, including procedures for investigation and hearings, are set out in Part 5.4G of the Newcastle Charter.

11.2 Leaflets for the public explaining the procedure are available and details are also shown on the Council's website.

11.3 During the municipal year, the Monitoring Officer received 11 complaints about councillors. 4 of those complaints related to the same alleged incident.

The Monitoring Officer decided that 4 matters relating to councillors should be investigated and no further action would be taken on 5 matters. So far as the other 2 matters are concerned, the Monitoring Officer requested further details from the Complainant, but no response was received and the Monitoring Officer closed his file. (These 2 matters include 1 of the 4 complaints relating to the same alleged incident).

The investigation relating to the remaining 3 complaints about the same alleged incident resulted in a finding by the Investigating Officer that there had been no breach of the Code by a councillor. Both Independent Persons and the

Monitoring Officer agreed with the conclusion and the matter was closed.

The other investigation relating to a councillor also resulted in a finding by the Investigating Officer that there had been no breach of the Code. Again, both Independent Persons and the Monitoring Officer agreed with the conclusion.

The Monitoring Officer also received 4 complaints about parish councillors. 2 of those complaints related to the same alleged incident (unrelated to those referred to above).

So far as those complaints about parish councillors are concerned, the Monitoring Officer decided that no further action would be taken on all 4 matters.

11.4 There were a number of outstanding investigations relating to complaints received in the previous municipal year. They have now been completed. Each resulted in a finding by the Investigating Officer that there had been no breach of the Code. Both Independent Persons and the Monitoring Officer agreed with the conclusions and the matters were closed.

11.5 In accordance with Part 5.4G of the Charter, we have received reports on the completed investigations.

We have also received the first of six-monthly reports on complaints received. These will help to provide us a better overview of the number of complaints, the stage reached in dealing with them, how many have been received about the same matter and any emerging trends.

11.6 We had planned to carry out a review of the new standards regime over the municipal year. However, we were advised by officers that, as a result of discussions about the new working arrangements at a regional meeting with other Tyne and Wear and North East authorities, it was felt that Newcastle's process had no major deficiencies. A small number of operational improvements had been highlighted from those discussions and these have been implemented.

In view of the number of investigations being undertaken during the year, we considered that a full review should be postponed until those outstanding investigations had been completed. The review of the regime will therefore be one of our priorities for the coming year.

In the meantime, we have noted with interest the observations on the new regime made by the CSPL. It raised some concerns about the new regime including the sanctions available and the "independent person arrangements". We are aware that it proposes to continue monitoring the implementation and effectiveness of the regime. We are also aware that the concerns of the CSPL have been "echoed" by the organisation Lawyers in Local Government.

12. **Procedures for Registering Gifts and Hospitality**

12.1 We have monitored the arrangements for registering gifts and hospitality and will continue to do so. Under the current Code of Conduct, Members are required to register gifts and hospitality over the value of £50, even if the offer is declined.

12.2 An analysis of the returns for the Municipal Year 2013/2014 shows the following:-

No. of returns received	899*
Percentage which were "nil"	93.55%
No. of offers made	92
Percentage "accepted"	53.26%
Average no. of offers accepted" per member	0.58

* This represents 90.02% of the possible total number of elected member returns.

- 12.3 The average number of returns per member was 10.58. However, we noted that 3 elected members and 2 co-optees submitted less than 7 returns over the year.
- 12.4 The hard copies of the returns are held on a central file in the Democratic Services Team Manager's office. The 2011 Act requires the Register of Interests to be published on the Council's website.
- 12.5 This analysis excludes gifts and hospitality to the Lord Mayor and Sheriff, details of which are kept at the Lord Mayor's Office.
- 12.6 We have continued the practice of monthly returns as part of the Council's commitment to open and transparent government. We therefore remind members to submit their returns (including nil returns) each month to the Democratic Services Team Manager. (The blank form is included in the Council agenda each month). If members have any doubt as to the value of a gift or hospitality, we encourage them still to register it.
13. **Register of Members' Interests**
- 13.1 The previous Code of Conduct created a public register of members' interests. The 2011 Act provides that the Monitoring Officer has to maintain a Register of members' interests. The Register has to include any Disclosable Pecuniary Interests ("DPIs"), as well as the other interests required to be registered under the Code of Conduct. It has to be published on the Council's website and be available for inspection at all reasonable times. All members must ensure their entries are kept up to date. Procedures to ensure that this happens include an annual reminder to members.
- 13.2 We have considered specific issues relating to the registration of interests over the year. As a result, the registration of interests form has been amended to include a note about the term "bodies with charitable purposes". The note makes it clear that this can include organisations which do not fall within the legal definition of a charity.
- 13.3 We also considered the revised guide for Councillors issued by DCLG - "Openness and transparency on personal interests." The guide focusses on DPIs. A copy was subsequently circulated to all members, together with a reminder that the Council's Code of Conduct requires registration of more than just DPIs and also has additional rules about non-participation in Council

business.

14. **Training for City and Parish Councillors**

14.1 The members' induction programme includes a session on the Code of Conduct.

15. **Regional meeting of Chairs/Vice Chairs of Standards/Governance Committees and Independent Persons**

15.1 The first regional meeting of Chairs and Vice Chairs of Standards/Governance Committees and Independent Persons was held on 25 June 2013 ("the June meeting"). Representatives from 8 local authorities were in attendance (including our Chair, both Vice Chairs and one of Newcastle's Independent Persons).

The items discussed at the June meeting included the following:

- Local arrangements for dealing with standards complaints, composition of standards committees and independent chairs
- Numbers of complaints
- Numbers and role of Independent Persons
- Sanctions available under the 2011 Act.

The meeting was felt to have been worthwhile and it was agreed that they should continue.

15.2 The second meeting was hosted by Newcastle City Council on 31 January 2014 ("the January meeting"). Again, 8 local authorities were represented.

The items discussed at the January meeting included the following:

- Numbers of complaints, investigations and hearings, as well as emerging trends/issues, at each authority since the last meeting.
- The non-voting status of Co-optees on standards committees.
- Members' use of social media.
- Members' interests.

15.3 We noted that the use of social media had been acknowledged as a current issue. We were advised that, whilst there was no suggestion that Councillors' use of social media should be curtailed, the January meeting suggested the provision of some guidelines for members to assist them.

We agreed that some further guidance for members would be useful and will be considering this issue over the next municipal year.

16. **Our Future Work**

16.1 Our main tasks for this municipal year will be to :-

1. Monitor the operation of the Members' Code of Conduct.
2. Carry out a review of the new standards regime (including our arrangements for dealing with complaints).
3. Arrange training on the Code of Conduct (including training for parish

councillors).

4. Continue to learn from the experience of the investigations (and any Hearings) so far.
5. Consider further guidance for members on the use of social media.
6. Keep under review the other Protocols in Part 5 of the Newcastle Charter.
7. Arrange for attendance by our Chair and Vice Chairs at the regional meetings of chairs and vice chairs of standards/governance committees and Independent Persons.
8. Carry out a review of the provisions for declaration of interests under the Employees' Code of Conduct.
9. Monitor the operation of the Employees' Code of Conduct.
10. Examine the operation of the arrangements for declarations of Interests/gifts and hospitality by employees.

17. **Background Papers and Contact Officer Details**

17.1 List of Background Papers:- held by Assistant Director Legal Services on file YY5-1227

1. Reports and agendas to Standards Committee - 2013/2014.
2. Standards Committee Annual Report to City Council - 4 September 2013
3. Register of Gifts and Hospitality.

Contact Officers:- Linda Scott, Democratic Services, ext 25159
Helen Wilson, Solicitor, ext 25110

Standards Committee - 2013/2014

Membership: -

City Councillors

2013/2014 - Councillors Andras, Beecham, Franks, Hardman (Joint Vice Chair), Lowson, Shepherd and Stockdale

Independent Members

Mr Scrimshaw (Chair) and Mr Garry

Parish Councillors

Councillor Down (*from September 2013*) and Councillor Fullen (*from September 2013*)

Terms of Reference:-

1. Promoting and maintaining high standards of conduct by councillors and co-opted members.
2. Assisting the 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 Member's Code of Conduct.
5. Advising, training or arranging to train councillors and co-opted members on matters relating to the Members' Code of Conduct.
6. Granting dispensations to councillors and co-opted members from requirements relating to interests set out in the Members' Code of Conduct.
7. To assist and advise parish councils in the city, if requested and as appropriate, in relation to their discharge of functions 1 - 6 above in respect of their parish councillors.
8. Dealing with written allegations that a councillor or co-opted member (or former councillor or co-opted member) of the Council or a parish councillor or former parish councillor in the City has failed, or may have failed, to comply with the Members' Code of Conduct.
9. Dealing with complaints that a councillor or co-opted member of the Council has failed, or may have failed, to comply with one of the Council's local protocols.
10. Promoting and maintaining high standards of conduct by officers.
11. Assisting officers to observe the Code of Conduct for Employees.
12. Advising the Council on the adoption or revision of the Code of Conduct for Employees.
13. Monitoring the operation of the Code of Conduct for Employees.
14. Reviewing and revising the level of allowances and expenses for the Independent Persons.
15. Approving a version for publication of the arrangements for dealing with complaints against members and reviewing and amending such documentation from time to time as it thinks fit.

16. Deciding what actions to take in respect of a member who is found on a hearing to have failed to comply with the code of conduct, including:
- (i) Issuing a formal censure.
 - (ii) Recommending to Council, or to the Parish Council, the issue of a formal censure by the Council or by the Parish Council.
 - (iii) Publishing its findings in respect of the Member's conduct.
 - (iv) Reporting its findings to Council, or to the Parish Council, for information.
 - (v) Recommending to the Council, or to the relevant Parish Council, that the Member be removed from any or all Committees or Sub-committees (subject to the approval of the member's Group if applicable).
 - (vi) Recommending to the Council, or to the Parish Council, that the Member be removed from being the chair or vice chair of any Committees or Sub-Committees.
 - (vii) Recommending to the Leader of the Council that the Member be removed from the Cabinet, or removed from particular Portfolio responsibilities.
 - (viii) Instructing the Monitoring Officer to, or recommending that the Parish Council, arrange training for the Member.
 - (ix) Recommending to the Council, or to the Parish Council, that the Member be removed, from one or more outside appointments to which he/she has been appointed or nominated by the Council or by the Parish Council.