



the
Standards Board
for England

focusing on what's important ↘

**Annual Review
2003/04**

Confidence in local democracy

Over the past two years, the Code of Conduct has become established as an essential tool in promoting high standards of conduct amongst members. Our next challenge is to enhance its impact by nurturing a strong, ethical local government culture, supported by effective local leadership.

in 2004 we

- › handled over 3,500 allegations and referred 1,105 for investigation
- › raised our assessment threshold to focus on more serious cases
- › brought cases to tribunals which imposed sanctions on over 160 members who had breached the Code of Conduct
- › increased the number of our staff with local government experience
- › supported the work of standards committees in the first 43 local hearings
- › advised government on draft regulations for the conduct of local investigations
- › appointed a new Chief Executive and welcomed the reappointment of our Board

in 2005 we will

- › focus on concluding cases more quickly
- › ensure that local issues are dealt with at a local level, wherever appropriate
- › issue guidance for local investigations
- › support councils as they begin local investigations
- › consolidate links with the leaders of local democracy
- › implement what we have learnt from research
- › continue to treat those involved in investigations with respect and keep them informed
- › consult on possible revisions to the Code of Conduct

The Standards Board for England was established as an independent public body under the Local Government Act 2000. Our team is led by a board of nine members, appointed by the Secretary of State for their mix of experience and skills.

what we do

We oversee and promote the Code of Conduct — a set of rules that all members must follow when elected or appointed. We assess allegations of misconduct and refer those that are appropriate for further investigation, focusing on fair, effective treatment of the most serious cases. We expect local issues to be dealt with at a local level wherever appropriate, and offer guidance to standards committees and monitoring officers as they do this.

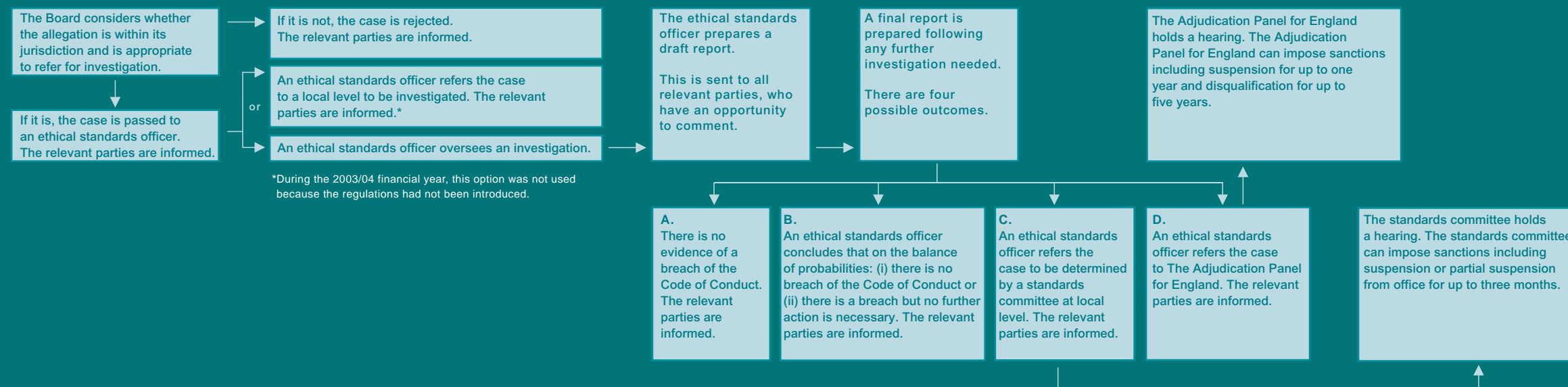
who we cover

The Code of Conduct applies to over 100,000 members of:

- › 386 local authorities
- › over 8,000 parish councils
- › seven national park authorities
- › the Broads Authority
- › 31 fire and civil defence authorities
- › 43 police authorities
- › six passenger transport authorities
- › the Greater London Authority
- › the Council of the Isles of Scilly
- › the Common Council of the City of London

the process

when we receive an allegation



**As our work begins
delivering results
at a local level, we
are targeting our
resources and
strengthening the
relationships that
will help us to
achieve our goals.**

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letter from our

Chair and Chief Executive

Two years of work focused on building awareness, understanding and partnerships have accomplished a great deal. What we are trying to achieve is extensively supported and our knowledge and expertise are widely recognised. The Code of Conduct is firmly embedded at a local level and MORI research with our key stakeholders shows that the overwhelming majority see it as essential in maintaining high standards in local government.



David Prince, Chief Executive, Sir Anthony Holland, Chair

The practical framework that the Code of Conduct provides is already having a positive impact on the behaviour of members by helping them to make the right decisions about their actions. However, the cases we investigate reveal that there are still serious failings amongst a small minority. Last year, over 160 members were disqualified or subject to other sanctions.

We are focusing increasingly on what's important and the best ways to achieve it.

We believe that local issues should be dealt with at a local level wherever appropriate. One of our key aims now is to help local government to play a bigger role in spreading good practice, and standards committees will be essential in achieving this. From September 2003, following the introduction in June 2003 of the first part of the Section 66 regulations of the *Local Government Act 2000*, standards committees heard their first 43 cases. When government meets its commitment to introducing local investigations in the coming year, the remit of standards committees will expand. We will help them to meet their new challenges with guidance, advice and strong partnerships.

Our relationship with central government is fundamental to the success of the Code of Conduct and we are continuing to work closely with the Office of the Deputy Prime Minister. Last year, we advised the government on drafting local authority regulations under Section 66. We now look forward to laying the foundations for future improvements to the Code of Conduct.

As a young organisation, we are still learning from feedback and research in many areas. We are focusing increasingly on what's important and the best ways to achieve it. One area under review is the amount of time it takes us to conclude cases. We did not meet our targets last year and have already taken steps to address this, whilst maintaining a very high quality of decision-making, and making sure that those involved in investigations are treated with respect and kept informed about progress.

Our achievements over the past two years are founded on the dedication and commitment of our staff and Board, and we would like to thank everyone for their continuing hard work as we help to build confidence in local democracy.

David Prince, Chief Executive

Sir Anthony Holland, Chair

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We are building public confidence in local government by promoting high standards and by dealing fairly and effectively with its failings. As we improve everyone's understanding of the parameters of acceptable behaviour, we are helping members to make the right decisions about their actions and encouraging relevant allegations that use our time efficiently.

we received over 3,500 allegations

delivering results

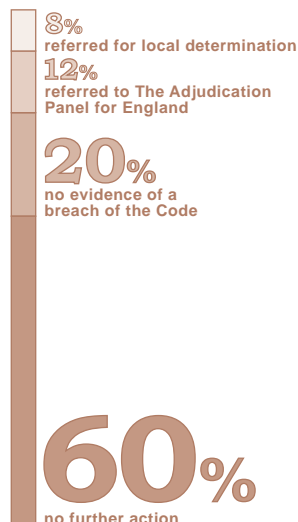
We received over 3,500 allegations, a figure that is broadly consistent with the previous year. The pattern of activity over the course of the year was also similar. We were expecting to see an increase around the time of the local elections in May, but were pleased that this did not happen.

The proportion of allegations from the public increased as awareness of our work reached a wider audience. The highest proportion of allegations came from the public (51%). 40% of allegations came from members and 6% from council employees. Allegations were more or less steady by authority type, but there was a slight reduction in the proportion we received about parish councillors.

Allegations were wide-ranging throughout the year, with the most serious involving matters such as bullying, dishonesty and violent behaviour. A notable change was the rise in allegations about failure to declare interests. In some cases, this might have happened because of complexities in this area of the Code of Conduct and we will be giving members more information to help them understand what is expected of them.

We referred 1,105 allegations for investigation — around a third of those we received. This was a much smaller proportion than the previous year, partly as a result of the refined assessment thresholds introduced in October 2003 and our increasingly focused approach. There were also far fewer allegations about parish councillors failing to register interests, which had made up a significant proportion of referrals in 2003. We referred a higher proportion of allegations from members of the public. Of the allegations that we did not refer, most were rejected because they did not warrant investigation. We know that we need to keep educating our audiences to improve their understanding of appropriate allegations.

The introduction of local hearings was a new development. We can now refer a case for a local hearing if we think action is needed, unless local circumstances make this inappropriate or if a sanction of more than three months is likely. The majority of cases that have been heard by standards committees have involved failure to declare personal and prejudicial interests at authority meetings.



taking action

Over 160 members were subject to sanctions as a result of hearings conducted by The Adjudication Panel for England and standards committees this year. Some sanctions related to cases that we referred to The Adjudication Panel for England in the previous financial year. This year we referred 87 cases to The Adjudication Panel for England, and 58 to local standards committees. The charts below show the decisions for these cases.

THE ADJUDICATION PANEL FOR ENGLAND'S DECISIONS
IN CASES REFERRED IN THE 2003/04 FINANCIAL YEAR



STANDARDS COMMITTEES' DECISIONS IN CASES
REFERRED IN THE 2003/04 FINANCIAL YEAR



case studies

Our aim is to make sure that all members understand what is and what is not acceptable behaviour. We are continuing to reinforce this message in a range of ways, including publishing the outcome of cases on our website at www.standardsboard.co.uk. Here are summaries of two significant cases.



21-01-2004

Councillor A was disqualified for three years from being or becoming a councillor.

The investigation into the behaviour of Councillor A showed that he had been aggressive, domineering and intimidating on a number of occasions. Allegations against him included being aggressive with a member of the public who raised an objection to a planning application, publishing false allegations about the behaviour of other councillors, threatening to have a woman dismissed from her job as a council cleaner and sending aggressive and inappropriate e-mails to the council's head of legal services.

The Adjudication Panel for England found that Councillor A had broken the Code of Conduct by bringing his office into disrepute, failing to treat others with respect and interfering with the impartiality of a council officer. The tribunal also branded his evidence 'unreliable'. The severity of the finding sends a clear message that this kind of behaviour is unacceptable.



29-01-2004

Councillor B was banned from sitting on his authority's planning committee for 12 months.

We received allegations that Councillor B had argued and voted against planning permission for a development in a lane where he lived. Although his wife had already written a letter objecting to the development, he failed to declare an interest and voted against the planning application.

The Adjudication Panel for England found that Councillor B had broken the Code of Conduct by failing to declare personal and prejudicial interests, failing to withdraw from a meeting and seeking to secure an improper advantage for himself. Planning decisions have a major impact on people's lives and the length of the suspension — the maximum allowed by the law — shows how seriously this issue is taken.

The complexity and sensitivity of our work means that we need to keep refining our approach to strike exactly the right balance so that we can always be fair, proportionate, thorough and timely. By learning from experience, research and feedback, we are targeting our resources to meet these aims.

we began three new research projects

targeting

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66%

of allegations were not referred
for investigation

ources

Getting the referral thresholds right is essential. It means that we can concentrate on serious issues and safeguard against anything significant slipping through the net. Our experience shows that some people believe we refer too many allegations, whilst some feel that not enough are investigated. Refining the criteria for referral has helped us to focus more closely on what is important — for example, by reducing the number of blatantly political point-scoring cases that are investigated. We will keep assessing and reviewing the thresholds to improve our effectiveness.

Acceptable councillor behaviour is defined by the Code of Conduct, but some areas are not as clear-cut as others, such as what constitutes acceptable behaviour in a member's private life. The conflict between the role of councillor as decision-maker and their role as a community representative is also difficult, and we are working to find a balance between common practice and common law.

It is important for us to conclude cases more quickly, whilst maintaining our commitment to thoroughness and fairness. We did not meet our targets last year and our research has shown that this is an area where our stakeholders feel that we could do better. Our higher thresholds are having a positive impact and an amendment to the *Local Government Act 2000* in November empowered the Board to delegate referrals, resulting in quicker decision-making. We have taken on more staff in the referral team to support this important area of our work. We are also streamlining investigations, establishing more effective parameters for our work and moving towards a more proportionate approach, based on the nature of allegations and their likely outcome.

We now have more staff with local government experience in our investigations team and have moved resources from corporate services to investigations to reflect our evolving priorities. We regularly review our technology, business systems and processes to make sure we are working efficiently, and introduced improvements in all areas over the year. In particular, we expect our new case management system to have a measurable impact on our efficiency over the next year.

We will review our processes. This includes looking at areas such as our policy of not notifying members about allegations against them. We need to balance concerns about causing needless distress with the opportunity for the member to provide information that would avoid an unnecessary referral, and the possibility that they may learn about an allegation through the press. We are reconsidering our policy and consulting stakeholders to help us make the right decision.

We are using research to better understand our stakeholders.

Research is essential in helping us to keep in touch with our audiences. We began three significant research projects last year to make sure that we continue to understand and respond to our stakeholders and their changing needs.

- › **Supporting monitoring officers.** We are carrying out a year-long programme of research to analyse the role of monitoring officers in the ethical framework and to identify their needs for support. The project aims to help us publish more targeted information for this audience by developing our understanding of their responsibilities, resources and status within their authorities.
- › **Satisfaction with support and guidance.** This six-month project looked at the usefulness of the guidance we have published so far, so that we can keep improving what we produce. The research asked how satisfied members and officers are with our current publications, taking into account the subject matter and the presentation. It also asked them about their expectations for the future.
- › **The needs of county associations.** Focusing on the relationship between county associations and parish and town councillors, the aim of this research is to identify areas where we can help county associations to provide the most appropriate guidance and advice to parish and town councils.

76%
of standards committee members who had used the standards committee determinations guidance found it useful

73%
of monitoring officers were satisfied with our published information and guidance

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Although not all of our research projects are complete, they are already providing valuable information. In response to what we have learnt so far we have decided to:

- improve how we engage with parish and town councillors by sending regular bulletins and continuing to meet with county associations;
- strengthen communications with chief executives and leaders by sending regular bulletins and by meeting with the Society of Local Authority Chief Executives and Senior Managers (SOLACE) more often;
- enable monitoring officers and standards committees to train members using diagnostic tools developed with other regulators;
- offer easier access to case summaries on our website;
- hold more road shows in 2005 to help us continue to get our message across and learn more from our stakeholders.

1 The strong partnerships we have built are making
2 the Code of Conduct part of everyday life for local
3 government. Communication with our stakeholders
4 has played a valuable role in establishing our position
5 as experts, and will continue to do so in the future.
6 Last year we concentrated on promoting better
7 understanding of the Code of Conduct and our work
8 amongst members. We also continued to raise our
9 profile in the local government community with a
10 range of events and meetings.

10 **strengthening**

84%
of members support the
Code of Conduct

Public awareness of our work has improved. The increase in the number and relevance of allegations received from the public shows that we are succeeding in getting the right messages across to this important audience. Our website and work with local media have been key in building awareness of what we do.

Our core partnership with members is growing stronger. 84% now support the requirement for members to sign the Code of Conduct and we have continued to raise awareness and develop understanding through our targeted programme of events. MORI research found that the vast majority of respondents viewed our presentations as extremely informative and that members saw us as 'open, helpful, approachable and friendly'. We reinforced the messages of our events with regular published information and guidance. Research shows that a high proportion of readers found this information useful and that those who are well informed about our work tend to be well disposed towards it.

relationships

70%
of respondents in the parish sector
said that maintaining high standards
is one of the most important issues
facing local government

We are supporting standards committees as their responsibilities grow. They have now conducted their first local hearings with the full support of our team, and we will keep working closely with them as they prepare for local investigations. Once the second part of the Section 66 regulations has been introduced by government, the role of many monitoring officers is likely to include investigative work and we are considering the best ways to support them in this new task.

More parish councils are recognising the importance of our role. Because the parish council community is so large, it has taken us longer to build strong relationships in this area. With regular communication we are now succeeding in gaining widespread support. In a recent survey by MORI, 70% of respondents in the parish sector said that maintaining high standards is one of the most important issues facing local government.

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We are working closely with central government, using our expertise to make a difference to the regulations that underpin our work. Last year, we made a significant contribution to the draft regulations for local investigations, working with the Office of the Deputy Prime Minister. We are now laying the foundations for future amendments to the Code of Conduct by embarking on a major consultation exercise, which will be launched at the Third Annual Assembly of Standards Committees in 2004.

Active engagement with the local government community has built support for our work. We have continued to work closely with key stakeholders, including:

- 14 > the Local Government Association;
- 15 > the Audit Commission;
- 16 > the Association of Council Secretaries and Solicitors (ACSeS);
- 17 > the National Association of Local Councils (NALC);
- 18 > the Improvement and Development Agency (IdeA);
- 19 > the Society of Local Authority Chief Executives and Senior Managers (SOLACE).

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Notable achievements of these partnerships include our work with the Audit Commission to strengthen the ethical components of the Comprehensive Performance Assessment, and collaboration with the IDeA on including information about the ethical environment and the Code of Conduct in a guide for new members.

Regular presentations and the Annual Assembly have been particularly useful in encouraging debate and reaching a common understanding, even in contentious areas. As part of our continuing programme, we will be speaking at regional SOLACE events to promote the role of leadership in developing an ethical culture. Building relationships with the leaders of local democracy is one of our key aims for the coming year and we are delighted that the chief executives of the Local Government Association, the Audit Commission and NALC will be amongst those speaking at the Third Annual Assembly of Standards Committees in September 2004.



“A highlight of the 2003 Annual Assembly of Standards Committees was the opportunity to meet with so many like-minded people who are clearly serious about the need to uphold high standards in public life.”

Conference delegate



“Until I attended the Annual Assembly of Standards Committees, I felt very much alone as an independent member. It was good to meet and talk to others who felt much the same way. Now we feel part of a much bigger system, and we can do our job better as a consequence.”

Conference delegate



**CRACK
THE CODE**

Crack the Code

Third Annual Assembly of Standards Committees

Building on the success of the Second Annual Assembly in June 2003, this year's two-day conference is an opportunity for monitoring officers, members of standards committees and others from the local government family to further explore the Code, confront the difficulties it presents, identify areas for improvement, and debate its role in the wider ethical framework.

the Board

“The Chair and the Board have managed the task of setting up and steering The Standards Board for England through its crucial founding phase extremely well. They must now build on this foundation to deliver an efficient service to maintain high standards of conduct within local government.”

Nick Raynsford, Minister for Local and Regional Government

Our Chair and Board Members were reappointed to their posts by the government on 5 April 2004.



Clockwise left to right: **ROGER TAYLOR, JOHN BOWERS, PETER CHALKE, CELIA CAMERON, PAUL SABAPATHY, ALAN DOIG, DAVID PRINCE, CHIEF EXECUTIVE***
MARGARET PRATT, PATRICIA HUGHES AND SIR ANTHONY HOLLAND

* David Prince is not a member of the Board

SIR ANTHONY HOLLAND, CHAIR Our Chair's commitment, fairness and balance, along with his background in law and a practical approach to resolving disputes, reflect the core values of The Standards Board for England. Admitted with honours as a Solicitor to the Supreme Court in 1962, Tony's career has taken in many noteworthy positions including President of the Law Society from 1990–1991, Chair of the BBC South Western Regional Advisory Council from 1984–1987, Chairman of the Executive Board of JUSTICE from 1996–1999 and member of the Council of the Howard League for Penal Reform from 1992–2002. He was a first instance Chairman of the Securities and Futures Authority from 1993–2001 and Principal Ombudsman to the Personal Investment Authority Ombudsman Bureau from 1997–2000. His most recent appointments are as Chair of the Northern Ireland Parades Commission, and to the Criminal Injuries Compensation Panel.

PATRICIA HUGHES CBE, DEPUTY CHAIR With experience of working at a high level in local government and relevant legal expertise, Patricia offers important insight into and knowledge of the council system. Awarded the CBE in 2001 for services to local government, Patricia worked as a secondary school teacher before qualifying as a solicitor in 1978 and went on to hold legal posts in the Inner London Education Authority and the London Borough of Lambeth. She was Chief Executive of the London Borough of Sutton from 1990–2001, Deputy Chief Executive and Borough Solicitor to the London Borough of Islington from 1987–1990 and a member of the Board of the National Disability Council from 1998–2000.

JOHN BOWERS QC Expertise in employment law and human rights and extensive experience of mediation make John a valued member of our Board. Practising from Littleton Chambers, Inner Temple, John is an expert in a relevant range of legal issues. He has published books on whistle-blowing, human rights and employment law and is the author of *Bowers on Employment Law*. He has lectured on human rights for the Judicial Studies Board. An accredited Centre for Dispute Resolution mediator, he co-ordinates the Workplace Mediation Services project. A former Chair of the Employment Law Bar Association, he is a Recorder on the Midlands Circuit and a member of the Bar Disciplinary Tribunal.

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COUNCILLOR CELIA CAMERON CBE A notable and long-standing career within local government gives Celia a thorough knowledge of the issues faced by councillors and local authorities. Leader of the Labour Group on Norfolk County Council since 1990, Celia has been a county councillor for 20 years and was a member of her local health authority for eight years. She was Leader of Norfolk County Council from 1993–2001. Her wider interests include the environment and sustainability — she is a member of the Local Government Association Environment and Regeneration Executive and is Chair of the Local Sustainability Advisory Board. She also has a background in the Women’s Aid Movement.

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COUNCILLOR PETER CHALKE CBE With experience of the commercial, political, educational and local authority environments, Peter brings a wide span of knowledge and expertise to bear in his contribution to our work. A past Leader of Wiltshire County Council, Peter has been a county councillor since 1982 and was Leader of the Conservative Group in Wiltshire from 1986–2003. He is now Leader of the Local Government Association Conservative Group. He was a Board Member of the South West Regional Development Agency and Wiltshire and Swindon Learning and Skills Council.

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PROFESSOR ALAN DOIG Alan’s academic and professional career reflects many of the core ethical issues that the Board has to deal with on a regular basis. Professor of Public Services Management and Head of the Fraud Management Studies Unit at Teesside Business School, University of Teesside, Alan is also the author of numerous publications on the very relevant subjects of ethics, conflict of interest, fraud and corruption. He has worked with a number of bodies involved with ethics and public office, both in the UK and overseas, including the Council of Europe.

MARGARET PRATT Margaret's background includes regulation of professional conduct and management consultancy at all levels of government, and is a key factor in helping us to achieve our aims of fairness and thoroughness. A past President of the Chartered Institute of Public Finance and Accountancy (CIPFA), Margaret is Non-Executive Chair of the Assurance Committee of the South Warwickshire Primary Care Trust. Margaret sits as a Governor on the Finance and Estates Committee of University College, Northampton, and sits on its Equality and Diversity Committee. She is a Governor of CIPFA's Education and Training Centre and has in the past been involved with developing self-regulation in the accountancy profession. Margaret has also worked as Director of Finance in Health Authorities and Trusts and as a management consultant in local and central government and district, metropolitan and county councils.

PAUL SABAPATHY CBE Experience of governance in a range of organisations, including serving as an independent member, gives Paul a valuable insight into the needs of some of our most important stakeholders. Currently Pro-Chancellor and Chairman of the University of Central England, Paul held senior management positions at the multinational engineering company IMI plc. Paul was Chief Executive of North Birmingham Community Trust and currently serves as Chairman of Eastern Birmingham Primary Care Trust and as a Non-Executive Director of the National Blood Authority. He was awarded the OBE in 1995 for his contribution to urban regeneration, and the CBE in 2004 for services to education and business in the West Midlands. He is a member of the Chartered Institute of Management Accountants. He also served until recently as one of the two independent members of the Standards Committee of Birmingham City Council.

ROGER TAYLOR Roger's experience in local government, his extensive knowledge of the sector both as a lawyer and a top executive, and his experience of working within the private sector on local government issues support our work in many ways. Roger was Chief Executive of Manchester City Council from 1984–1988, and Chief Executive of Birmingham City Council from 1988–1994. Following this, he joined public sector management consultants Newchurch and Company and then established Pinnacle Consulting as a subsidiary of the Pinnacle Public Service Group. He is an Honorary Fellow of the Institute of Local Government Studies.

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12 If you would like to receive a copy of our

13 **Annual Report and Accounts 2003/04**

14 please contact

15 The Standards Board for England

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17 or e-mail enquiries@standardsboard.co.uk

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