



	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*"body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society;*

*"land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means a member of a relevant authority;*

*"member" includes a co-opted member; "relevant authority" means the authority of which M is a member;*

*"relevant period" means the period of 12 months ending with the day on which M gives notice to the Monitoring Officer of a DPI;*

*"relevant person" means M or M's spouse or civil partner, a person with whom M is living as husband or wife or a person with whom M is living as if they were civil partners;*

*"securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.*

**'non pecuniary interest'** means interests falling within the following descriptions:

- 10.1(1)(i) Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
- (ii) Any body (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;
- (iii) Any easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 10.2(2) A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a connected person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward, as the case may be, affected by the decision.

**'a connected person'** means

- (a) a member of your family or any person with whom you have a close association, or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph 10.1(1)(i) or (ii).

**'body exercising functions of a public nature'** means

Regional and local development agencies, other government agencies, other Councils, public health bodies, council-owned companies exercising public functions, arms length management organisations carrying out housing functions on behalf of your authority, school governing bodies.

A Member with a personal interest who has made an executive decision in relation to that matter must ensure any written statement of that decision records the existence and nature of that interest.

**NB** Section 21(13) of the LGA 2000 overrides any Code provisions to oblige an executive member to attend an overview and scrutiny meeting to answer questions.

**STANDARDS COMMITTEE**

**HELD: 18 SEPTEMBER 2014**

Start: 5.00pm

Finish: 5.25pm

**PRESENT:**

Councillors: Westley (Chairman)

Mrs Atherley Kay  
Bell Wright

In attendance: Mr S Ibbs (Independent Person)  
Mr S Garvey (Reserve Independent Person)

Officers: Managing Director (People and Places) (Mrs G Rowe)  
Borough Solicitor (Mr T Broderick)  
Legal and Member Services Manager (Mr M Jones)  
Principal Overview and Scrutiny Officer (Mrs C A Jackson)

**1. APOLOGIES**

There were no apologies for absence.

**2. SUBSTITUTIONS**

There were no substitutions.

**3. URGENT BUSINESS**

There were no items of urgent business.

**4. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**5. MINUTES**

RESOLVED: That the minutes of the Standards Committee meeting held on 4 February 2014 be received as a correct record signed by the Chairman.

**6. OFFICER CODE OF CONDUCT**

The Committee considered the joint report of the Borough Treasurer and Borough Solicitor as contained on pages 7 to 32 of the Book of Reports which sought endorsement of the proposed revisions to the Officer Code of Conduct, attached at Appendix 1. The report had previously been considered by the Audit and Governance Committee at its meeting on 26 June 2014.

RESOLVED: That the revisions attached at Appendix 1 be endorsed and the document circulated to all staff.

**7. PLANNING CODE OF GOOD PRACTICE**

The Committee considered the report of the Borough Solicitor, as contained on pages 33 to 45 of the Book of Reports that provided an update to the Planning Code of Good Practice in light of recent changes to the law and Government guidance, together with a revised recommendation which set out additional wording, as contained on page 71 of the Book of Reports, to be added to paragraph 3 of the Code. The report had previously been considered by the Planning Committee at its meeting on 14 September 2014.

**RESOLVED:** That the updated Planning Code of Good Practice attached at Appendix 1, be adopted with effect from 16 October 2014, subject to, for clarification, the insertion of an additional bullet point at paragraph 3 of the Code as circulated.

**8. STANDARDS COMMITTEE - ANNUAL REPORT**

Consideration was given to the joint report of the Managing Director (People and Places) and Borough Solicitor that provided details of the work undertaken by the Committee during 2013/14.

**RESOLVED:** That the Standards Committee Annual Report 2013/14 attached at Appendix 1, be noted, endorsed and published on the Council's website.

**9. REVIEW OF THE INDEPENDENT PERSON PROTOCOL**

Consideration was given to the joint report of the Managing Director (People and Places) and Borough Solicitor as set down at pages 55 to 60 of the Book of Reports. The Committee reviewed the arrangements in place relating to the role of the Independent Person and Reserve Independent Person.

**RESOLVED:**

- A. That the Independent Person Protocol, attached at Appendix 1, be noted.
- B. That the Independent Person (IP) and Reserve Independent Person (RIP) indicate their acceptance of the Protocol by signing a copy before the Monitoring Officer.

**10. COMPLAINTS STATISTICS**

The Committee considered the circulated complaints statistics for 2013/14 and 2014/15 as set down at pages 61 to 68 of the Book of Reports.

The Chairman, on behalf of the Committee, thanked the IP and RIP for the work that had been undertaken to date in relation to the complaints.

**RESOLVED:** That the statistics, be noted.

**11. WORK PROGRAMME**

The Committee considered the Work Programme.

RSOLVED: That the Work Programme, be noted.

.....  
Chairman





## **AGENDA ITEM: 6**

**STANDARDS COMMITTEE  
17 SEPTEMBER 2015**

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**Report of: Managing Director (People and Places) and Borough Solicitor**

**Contact for further information: Mrs C A Jackson (Extn. 5016)  
(E-mail: [cathryn.jackson@westlancs.gov.uk](mailto:cathryn.jackson@westlancs.gov.uk))**

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**SUBJECT: LOCAL GOVERNMENT STANDARDS**

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Wards affected: Borough wide.

### **1.0 PURPOSE OF THE REPORT**

- 1.1 To consider the observations reported in the Committee on Standards in Public Life 'Annual Plan 2014-2015' relating to Local Government Standards.

### **2.0 RECOMMENDATIONS**

- 2.1 That the observations of the Committee on Standards in Public Life on Local Government Standards, as referenced at paragraph 4, be noted.
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### **3.0 BACKGROUND**

- 3.1 The current local government standards regime came into effect on 1 July 2012 when the relevant provisions of the Localism Act 2011 came into force.
- 3.2 The role and function of the Standards Committee, at a local level, are set down at Article 9 of the Constitution.
- 3.3 The Independent Person (IP) fulfils a statutory role appointed under Section 28(7) of the Localism Act 2011. The IP's role and function is set down at Article 9 and within the Independent Person Protocol (Constitution 16.5).

### **4.0 LOCAL GOVERNMENT STANDARDS**

- 4.1 The Committee for Standards in Public Life, in its Annual Plan for 2014-15, referenced Local Government Standards and "as a result of changes to the local standards regime by the Localism Act 2011, local government standards were identified as an area of risk in their 14<sup>th</sup> report, *Standards matter: 'A review of best practice in promoting good behaviour in public life'* published in January

2013. At that time they reiterated their concerns about the lack of sanctions and insufficient independent involvement in the consideration of complaints and the need for strong local ethical leadership. The Committee recognised, however, the need to allow the “new” arrangements to bed down before properly assessing the effectiveness of the new system and whether it was delivering its stated objectives.”

- 4.1 The Report continues “The recent survey, carried out by the Local Government Lawyer, on the implementation of the Localism Act 2011, suggests initial early indications are that the role of the independent person has been generally well received and there is some evidence that the number of vexatious complaints is falling. However, the effectiveness of the sanctions regime remains an issue of concern to the Committee. We are aware that there have been individual cases that illustrate this and we are alert to the need for continuing scrutiny in this area.”

## **5.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY**

- 5.1 The information contained in the report is for information only and there are no significant sustainability impacts associated with it. Promoting and maintaining high ethical Standards contributes to achievement of the Community Strategy.

## **6.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 6.1 There are no significant resource implications arising from this report.

## **7.0 RISK ASSESSMENT**

- 7.1 There are no risks to the Council’s business objectives.

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### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees and / or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

Appendix 1: Committee on Standards in Public Life – Annual Plan 2014 – pages 1-12.



UNCLASSIFIED

# **Annual Plan 2014-15**

**Committee on Standards  
In Public Life**

**April 2014**

UNCLASSIFIED

## THE SEVEN PRINCIPLES OF PUBLIC LIFE

The principles of public life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs, and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

### SELFLESSNESS

Holders of public office should act solely in terms of the public interest.

### INTEGRITY

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

### OBJECTIVITY

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### ACCOUNTABILITY

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

### OPENNESS

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

### HONESTY

Holders of public office should be truthful.

### LEADERSHIP

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

UNCLASSIFIED

*The seven principles were established in the Committee's First Report in 1995; the accompanying descriptors were revised following a review in the Fourteenth Report, published in January 2013.*

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## FOREWORD

This is the CSPL's second annual plan, following the publication in October 2012 of our Strategic Plan for 2012-15.<sup>1</sup> This plan sets out the work we intend to carry out in the business year commencing 1 April 2014. It reflects our role as an advisory, oversight body – monitoring and promoting ethical standards across public life through an evidence-based, independent approach.

We have seen that standards failures, whether in the public or private sector, can impact on the economy, have a profound effect on the individuals involved and reduce wider public trust in public and private institutions.

The seven principles of public life –selflessness, integrity, objectivity, accountability, openness, honesty and leadership - continue to underpin ethical codes and standards in the public sector. Our public perceptions research tells us that the principles remain valid and are supported by the public. But we need to remain alert to ethical risks. We have seen that standards failures, whether in the public or private sector, can impact on the economy, have a profound effect on the individuals involved and reduce wider public trust in public and private institutions.

In line with our post- Triennial Review ways of working, this year the Committee will be carrying out some shorter pieces of work focused on encouraging a greater embedding of ethical standards into the culture of public sector organisations and all those involved in the delivery of public services.

*The Committee on Standards in Public Life*

The Lord Bew

The Lord Alderdice

Rt Hon Dame Margaret Beckett DBE MP

Sheila Drew Smith OBE

Patricia Moberly

Dame Denise Platt DBE

David Prince CBE

Richard Thomas CBE

Dame Angela Watkinson DBE MP

April 2014

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<sup>1</sup> <http://www.public-standards.gov.uk/our-work/annual-reports/>

## ABOUT THE CSPL

### Our remit

1. On 25 October 1994, the then Prime Minister, the Rt Hon John Major MP, announced the setting up of the Committee on Standards in Public Life with the following terms of reference:

**"To examine current concerns about standards of conduct of all holders of public office, including arrangements relating to financial and commercial activities, and make recommendations as to any changes in present arrangements which might be required to ensure the highest standards of propriety in public life.**

**For these purposes, public office should include: ministers, civil servants and advisers; Members of Parliament and UK Members of the European Parliament; members and senior officers of all non-departmental public bodies and of national health service bodies; non-ministerial office holders; members and other senior officers of other bodies discharging publicly-funded functions; and elected members and senior officers of local authorities."**<sup>2</sup>

2. On 12 November 1997 the terms of reference were extended by the then Prime Minister, the Rt Hon Tony Blair MP:

**"To review issues in relation to the funding of political parties, and to make recommendations as to any changes in present arrangements."**<sup>3</sup>

3. On 5 February 2013 the terms of reference were clarified by the Government in two respects:

**"...in future the Committee should not inquire into matters relating to the devolved legislatures and governments except with the agreement of those bodies."**

**"...the Committee's remit to examine 'standards of conduct of all holders of public office' [encompasses] all those involved in the delivery of public services, not solely those appointed or elected to public office."**<sup>4</sup>

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<sup>2</sup> Hansard (HC) 25 October 1994, col. 758

<sup>3</sup> Hansard (HC) 12 November 1997, col. 899

<sup>4</sup> Hansard (HC) 5 February 2013, col. 7WS

## **Our purpose**

4. The Committee on Standards in Public Life monitors, reports and makes recommendations on all issues relating to standards in public life.
5. As an independent, advisory Committee we are uniquely placed to consider the ethical landscape as a whole. As a standing committee we have a constant presence, which enables us to monitor progress on different issues, including our own recommendations, over time. It also enables us to respond quickly when an ethical issue arises which requires our consideration.
6. Our purpose is to help promote and maintain ethical standards in public life and thereby to protect the public interest through:
  - monitoring standards issues and risks across the United Kingdom (by invitation in the devolved areas);
  - conducting inquiries and reviews and making practical and proportional recommendations that are generally implemented;
  - researching public perceptions on standards issues relating to specific areas of concern, and also over time.
7. Our remit does not allow us to investigate individual allegations of misconduct. That is usually the role of the relevant regulator. We do, however, seek to draw any general lessons that can be learned from individual instances.

## **Our status**

8. The Committee is an independent advisory non-departmental public body (NDPB). It is not founded in statute and has no legal powers to compel witnesses to provide evidence or to enforce its recommendations. Our secretariat and budget are sponsored by the Cabinet Office.

## **Our independence**

9. To fulfil our remit effectively it is important that we remain robustly non-partisan and independent of the Government that appoints us. It is for that reason that the chair and other members, other than those representing the political parties, are now appointed through a fair and transparent public appointment process, for non-renewable terms.
10. By convention, the Committee consults the Prime Minister before starting an inquiry, and can be asked by the Prime Minister to mount an inquiry on a specific subject, but the decision on whether to proceed will be our own.
11. The Committee continues to maintain and develop an international profile in the field of standards promotion, both in terms of its research, which contributes to the international debate on trust, bribery and corruption, and in terms of exemplifying an effective principles-based approach to standards in public life. As has been the case in previous years, the Committee has found that the UK has a high international reputation in such matters and many other countries wish to learn from our experience. The Committee will continue to host international delegations, visiting civil servants, scholars and students to explain how the standards framework operates in the UK. The Committee will also continue contributing to the research base on standards, trust and compliance, both by working with national and international institutions and scholars, and conducting in-house research.

## OUR WORK

### Building on our work in 2013-2014

12. In our strategic plan for 2012-15 we identified five objectives:

- where appropriate, we will undertake balanced, comprehensive inquiries which enable us to develop evidence-based, practical recommendations which will help maintain or improve ethical standards across public services;
- we will undertake robust and effective research which will provide useful information about public perceptions of ethical standards across public services. We believe that it is important to check our perceptions of the standards the public expects of public servants and organisations, and the extent to which they are being met, against reality;
- we will make informed contributions to public debates about ethical standards;
- we will constantly be alert, identifying developments and responding promptly to emerging ethical risks, engaging with a wide range of stakeholders to develop the ethical standards agenda;
- we will improve the way we work, evolving so that we continue to be an effective, efficient organisation delivering value for money.

13. We will publish our Annual Report 2013 -14 in the summer, but some key areas of work are highlighted below.

14. A major piece of work conducted in 2013-2014 was our review of lobbying activity, leading to our report *Strengthening Transparency Around Lobbying*, which was published in November 2013. Abuse of lobbying is an activity the Prime Minister acknowledged contributes to a lack of trust and confidence in political decision making. Our report applied the Nolan principles to lobbying and concluded that more needed to be done to deliver greater openness and transparency around lobbying and provide greater clarity on the standards expected of public office holders. We welcome the recent revisions to the House of Lords' Code of Conduct and its Guide, recently agreed by the House, to strengthen provisions relating to lobbying. We also welcome the Committee on Standards' consultation on the interests of Select Committee Chairs. Both the Code and its Guide revisions and the consultation on Committee Chairs resulted in part from our lobbying report. We await a formal government response to the report.

15. We also published our final biennial survey of public attitudes to standards in public life in September 2013. The Committee has conducted the survey every two years since 2004. This was the final survey of this type that the Committee will conduct, following the recommendations of the Triennial Review, and it



drew on all four previous surveys to chart changes in attitudes over the past 10 years. Over the lifetime of the survey, there has been a continuous decline in the percentage of respondents rating standards as “quite high” or “very high” and in the latest survey there was some diminution of confidence in the public authorities’ commitment to uphold standards.

16. Building on the results of this survey the Committee commissioned some further work on international comparators to ascertain if declining confidence and trust is a national trend or part of a broader change in attitudes across western democracies. This research paper was published in March<sup>5</sup> and revealed that the UK public’s decline in perceptions of standards in public life is part of a broader trend across Western democracies. British citizens’ assessments of standards in public life are not unusual and they are rarely the most cynical. In fact, British citizens’ perceptions and experiences of corruption are lower than those in most other European countries. In recognising that the UK is not alone, we hope that we can begin a more informed and reasonable debate about public attitudes and expectations of those in public office. As discussed in the next section, we intend to continue to conduct or commission qualitative research both on public attitudes and more generally where it is helpful to our work.

## **Our plans for 2014-2015**

### **17. Reinforcing high ethical standards in practice:**

Ever since the first report by Lord Nolan in 1995, the Committee on Standards in Public Life has recognised the importance of embedding the Seven Principles of Public Life into the culture and practice of public sector organisations.

18. The first report set out three common threads to ensure that the Seven Principles of Public Life were properly understood and integral to the conduct of individuals in public life and the culture of public sector organisations. Those three threads are codes of conduct, independent scrutiny, and guidance and education. We think Lord Nolan’s original suggestions of guidance and education remain valid means of embedding ethical standards, but we need to find out more about what works in practice now, so that we can help to maintain and improve standards in public life across public services.
19. The Committee is therefore currently conducting a project investigating how best to reinforce high ethical standards in practice, concentrating on how ethics can be included in internal processes such as induction

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<sup>5</sup> *Public Perceptions of Standards in Public Life in the UK and Europe* Committee on Standards in Public Life March 2014

and professional development across public sector organisations. We are going to bring together the best examples from the private, public and voluntary sectors, to identify what works and to capture best practice case studies.

20. Based on the evidence we find as part of this research, the Committee will make recommendations to help public sector organisations promote and support ethical decision making and build a culture of high ethical standards.
21. The Committee will publish a final report on ethics in practice in July 2014.
22. **New models of public service delivery:**

The Committee's Fourteenth Report *Standards Matter: A review of best practice in promoting good behaviour in public life*<sup>6</sup> referred to new ethical risks being created by the development of new models of service delivery.

23. A very wide range of new ways of delivering public services now exists. They include clinical commissioning groups, academy schools and private, voluntary sector, mutual or citizen-led provision in areas ranging from prisons to hospitals, social housing and libraries. The National Audit Office<sup>7</sup> estimates that £187bn is the estimated total public sector spending on goods and services with third parties across the public sector. Around £84bn is spent by local government, £40bn by central government, £50bn by the NHS and the remainder spent by devolved and independent public sector bodies. Government uses private sector providers for a range of purposes, from procuring basic commodities to providing front line services to the public. Reasons for doing so include using external expertise and cost effectiveness. Increasingly public bodies are urged to pool their resources and to undertake joint activity in order achieve value for money for local communities. Some of these new roles and methods of service delivery entail services being delivered by people not previously involved in public service or being faced with different demands and challenges.
24. The Committee's concern is whether there are consistent procedures in place to ensure high ethical standards are maintained from the beginning to end as part of securing the regularity and propriety of commissioning and procuring of public services. In the Committee's view, irrespective of how public services are designed, commissioned and delivered, structures should be in place which actively promote the right ethical behaviour and ensure that all public services - however they are delivered - meet high ethical standards.

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<sup>6</sup> *Standards Matter: A review of best practice in promoting good behaviour in public life* January 2013 Fourteenth Report Cm 8519

<sup>7</sup> Managing government suppliers HC 811 Session 2013-14 12 November 2013

25. The Committee is undertaking work to obtain a better understanding of the ethical principles and standards currently expected of third party providers of public services. This includes qualitative research which explores:

- expectations in terms of the ethical principles and standards that those commissioning services have of those delivering public services;
- safeguards which those commissioning believe are necessary to ensure that ethical principles and standards are met; and
- expectations the public have of the ethical standards that should be met by those undertaking such contracts, and by those who are contracting out and setting the terms of and evaluating the contract.

26. The Committee will publish the results of that research and its findings in the early summer.

27. **Maintaining oversight:**

As part of our horizon scanning role we monitor the risk to high ethical standards in public life. In particular, in 2014-15 we will continue to monitor the following areas of risk and will, where necessary, expand our ongoing work:

- **Behaviour and conduct of the police.** As part of our work plan for 2013-14 the Committee has met with Police and Crime Commissioners to discuss with them how best to pre-empt any ethical risks in their role. The Committee responded to the Home Affairs Select Committee call for evidence on Police and Crime Commissioners in December 2013. The Committee also contributed to the Public Administration Select Committee inquiry on the validity of crime statistics as it too was concerned about the integrity of crime data. We argued that the application of the principle of integrity to such statistics means that they should be consistently and reliably recorded in a way which promotes openness, accountability and establishes robust mechanisms for detecting and dealing with wrongdoing.

The Committee has welcomed the publication of the College of Policing's draft code of ethics and the adoption of the seven principles of public life in the draft Code. The Committee has met with the College to discuss the draft Code and how, in order to achieve culture change. The Committee will expect the Code to be reinforced and actively implemented at an organisational level. This will require visible ethical leadership from Chief Constables and Police and Crime Commissioners.

- **Lobbying and Parliamentary standards.** This year we will continue to track the impact of our report *Strengthening Transparency Around Lobbying* and continue to monitor the ethical risks associated with lobbying. We await with interest the Government response to our report. We also note that the government has yet to respond to the Public Administration Select Committee Report on Business Appointment Rules. To the extent that the recommendations in our report

relate to business appointments we will continue to monitor this area, as we consider that for reform of lobbying to be meaningful, it should include consideration of the arrangements for the movement of office holders between the public and private sector.

As we have already indicated, we welcome the Committee on Standards' consultation on the Interests of Committee Chairs and the recent strengthening of the provisions on lobbying in the revised House of Lords' Code of Conduct and its Guide. However, more generally, individual cases relating to the conduct of Parliamentarians have highlighted again the importance the public place on professional and ethical standards from Parliamentarians. Parliamentarians need to understand their responsibilities and demonstrate that they take those responsibilities seriously through positive actions and personal responsibility. We think there is value in, and have offered to be part of, a wider discussion on parliamentary standards and establishing a more broad based collaborative approach to reform.

- **Local government standards.** As a result of changes to the local standards regime by the Localism Act 2011, local government standards were identified as an area of risk in our Fourteenth Report, *Standards matter: A review of best practice in promoting good behaviour in public life* published in January 2013. We reiterated our concerns then about the lack of sanctions and insufficient independent involvement in the consideration of complaints, and we emphasised the need for strong local ethical leadership. The Committee recognised, however, the need to allow the new arrangements to bed down before properly assessing the effectiveness of the new system and whether it is delivering its stated objectives.

The recent survey carried out by the Local Government Lawyer on the implementation of the Localism Act 2011, suggests initial indications are that the role of the independent person has been generally well received and there is some evidence that the number of vexatious complaints is falling. However, the effectiveness of the sanctions regime remains an issue of concern to the Committee. We are aware that there have been individual cases that illustrate this and we are alert to the need for continuing scrutiny in this area.

- **Electoral System.** The Committee retains a strong interest in the integrity of the electoral system. In light of forthcoming elections this year and next the Committee will be assessing the level of risk to the electoral system. The Committee notes the failure of all-party talks on political party finance in response to our thirteenth report, *Political party finance: Ending the big donor culture* in November 2011, the introduction of the individual electoral registration, and recent changes to requirements for third parties in relation to donations and expenditure arising from the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014.

## MANAGING RESOURCES AND RISKS

28. Our secretariat and budget are provided by the Cabinet Office. Like most public bodies, our budget has been reduced in recent years from £504k in 2012-13 to £400k in 2014-15. Our core secretariat is now three.
29. As a small organisation, it remains necessary for the Committee to prioritise and focus its resources, but we are using our budget more flexibly to buy in additional resource as required and developing our communications and use of digital tools to operate more efficiently. We are working more collaboratively and proactively engaging with other bodies, as our work with the College of Policing demonstrates, in order to target our input and add value.





**AGENDA ITEM: 7**

**STANDARDS COMMITTEE:  
17 SEPTEMBER 2015**

**AUDIT AND GOVERNANCE  
COMMITTEE: 29 SEPTEMBER 2015**

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**Report of: Managing Director People and Places, Borough Treasurer and  
Borough Solicitor**

**Contact for further information: Mr M Coysh (Extn. 2603)**

**(E-mail: [mike.coysh@westlancs.gov.uk](mailto:mike.coysh@westlancs.gov.uk))**

**Mr M Jones (Extn.5025)**

**(E-mail: [matthew.jones@westlancs.gov.uk](mailto:matthew.jones@westlancs.gov.uk))**

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**SUBJECT: FRAMEWORK FOR DELIVERING GOOD GOVERNANCE IN LOCAL  
GOVERNMENT**

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Wards affected: Borough wide.

**1.0 PURPOSE OF THE REPORT**

- 1.1 To advise Members of the consultation currently being undertaken by the CIPFA/SOLACE Joint Working Group on Good Governance in Local Government (the Working Group) on a revised framework for delivering good governance in local government.

**2.0 RECOMMENDATIONS TO STANDARDS COMMITTEE**

- 2.1 That the consultation on the revised draft 'Delivering Good Governance in Local Government: a Framework' by the CIPFA/SOLACE Joint Working Group, attached at Appendix 1, be noted.
- 2.2 That the response, attached at Appendix 2, be agreed at the meeting as the Council's response to the document.

**3.0 RECOMMENDATIONS TO AUDIT AND GOVERNANCE COMMITTEE**

- 3.1 That the Standards Committee's decision at Appendix 3, be noted.
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#### **4.0 BACKGROUND**

- 4.1 Lawyers in Local Government (LLG) recently advised that the Working Group, on which the LLG is represented, were consulting on a revised draft 'Delivering Good Governance in Local Government: a Framework' (the Framework) for consultation, attached at Appendix 1, and requested that this be taken to audit/standards committees, as appropriate.
- 4.2 The Audit and Governance Committee is not due to meet until 29 September after the consultation deadline (28 September 2015).

#### **5.0 FRAMEWORK FOR DELIVERING GOOD GOVERNANCE IN LOCAL GOVERNMENT**

- 5.1 The Working Group writes "The main principle underpinning the development of a new Framework continues to be that local government is developing and shaping its own approach to governance, taking account of the environment in which it now operates.
- 5.2 The Framework builds on the *International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014)*. The *International Framework* places sustainable economic, societal and environmental outcomes as a key focus for governance processes and structures. It emphasises the importance of considering the longer term and the links between governance and public financial management – all key considerations for local authorities in today's climate.

#### **6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY**

- 6.1 Promoting and maintaining good practice in governance promotes high ethical Standards and contributes to achievement of the Council's objectives. There are no significant sustainability impacts.

#### **7.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 7.1 There are no significant resource implications arising from this report.

#### **8.0 RISK ASSESSMENT**

- 8.1 There are no risks to the Council's business objectives arising from this consultation. Reviewing best practice in governance contributes to the maintenance of effective risk management procedures in the Council.

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#### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.



## **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees and / or stakeholders. Therefore no Equality Impact Assessment is required.

## **Appendices**

- Appendix 1: Delivering Good Governance in Local Government: a Framework – Consultation July 2015.
- Appendix 2: Response of the Council (*to the above consultation document*)
- Appendix 3: Minute of the Standards Committee 17 September 2015 (Audit and Governance Committee only)



# **Delivering Good Governance in Local Government: a Framework**

## **Consultation**

July 2015

CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed.

As the world's only professional accountancy body to specialise in public services, CIPFA's qualifications are the foundation for a career in public finance. We also champion high performance in public services, translating our experience and insight into clear advice and practical services. Globally, CIPFA shows the way in public finance by standing up for sound public financial management and good governance.

SOLACE (Society of Local Authority Chief Executives and Senior Managers) is the representative body for senior strategic managers working in the public sector. We are committed to public sector excellence. We provide our members with opportunities for personal and professional development and seek to influence the debate about the future of public services to ensure that policy and legislation reflect the experience and expertise of our members.

## CONSULTATION QUESTIONS

We are seeking views on the draft Framework. In particular we would welcome comments on the following :

1. Would this framework *Good Governance in Local Government* assist you in developing and modernising your own local code of governance/governance arrangements ?
2. Would this draft Framework assist you in establishing governance arrangements for collaborative working (alternative delivery vehicles, partnerships etc) ?
3. Are there any parts of the Framework that you would find difficult to follow/comply with ?
4. Have we got the terminology right, with particular reference to collaborative working ? If not, how could it be improved ?
5. Principle E looks at the relationship between members and officers. Have we got the tone and balance right ? If not, how could it be improved ?
6. Is any further guidance is required with regard to the development of a local code ?
7. What further guidance is required with regard to the preparation of the annual governance statement ?
8. Are there any other aspects of governance that are not in the draft Framework which you believe should be addressed ?
9. How might the Framework be improved ?
10. Are there any other issues or areas that are not in the draft Framework which you believe should be addressed in the guidance note?
11. It is envisaged that the revised Framework would apply from the financial year 2015/2016. Please could you let us know if you have any concerns regarding the proposed timetable ?

## GUIDANCE

It is our intention to develop separate guidance notes for English, Scottish and Welsh local authorities and for the Police in England and Wales to accompany the revised Framework. The guidance notes will include:

- How the revised Framework can be mapped to the 2007 Framework
- A glossary of terms
- Examples of good practice/case studies
- Examples of the types of systems, processes and documentary evidence that might be cited by an authority to demonstrate compliance with best practice
- The principles underlying who should be nominated by the authority to take responsibility for the review on its behalf and the scope given
- Signposts to other useful tools and sources of guidance available to local authorities for self assessment purposes.

**We would be very pleased to be made aware of specific examples of good practice/case studies that might be included in the guidance notes.**

## TIMETABLE

Responses and offers to assist with case study material should be sent by **Monday 28<sup>th</sup> September 2015** to : Kerry Ace. Email [kerry.ace@cipfa.org](mailto:kerry.ace@cipfa.org)

## THE WORKING GROUP

CIPFA and SOLACE have drawn together the following members of the Joint Working Group and are grateful to them and to their employing organisations for their time and assistance in preparing this document.

### MEMBERS

Julie Parker ( Chair)

Charlie Adan	<i>Babergh and Mid Suffolk DC</i>
David Aldous	<i>National Audit Office</i>
Ivan Butler	<i>Denbighshire CC</i>
Brenda Campbell	<i>COSLA</i>
Kirsty Cole	<i>Newark and Sherwood DC</i>
Richard Feltham	<i>Kent Fire &amp; Rescue Services</i>
Russell Frith	<i>Audit Scotland</i>
Alan Gay	<i>Leeds City Council</i>
Alan Geddes	<i>formerly Highland Council</i>
Jacqui McKinlay	<i>Centre for Public Scrutiny</i>
Stephen Hughes	<i>LGA</i>
Ruth Hyde	<i>Broxtowe BC</i>
Graeme McDonald	<i>SOLACE</i>
Cat McIntyre	<i>APCC</i>
Terry Osborne	<i>Essex CC</i>
Marion Pryor	<i>Conwy CBC</i>
Jon Rae	<i>Welsh LGA</i>
Joe Simpson	<i>Leadership Centre for Local Government</i>
Mike Suarez	<i>Cheshire East Council</i>
Jason Vaughan	<i>West Dorset DC and Weymouth and Portland</i>
Bill Wilkinson	<i>CIPFA's Police Panel and PACCTS</i>
Ian Williams	<i>Hackney Council</i>
Ness Young	<i>Bridgend CBC</i>

### *Secretariat*

Kerry Ace (Secretary)	<i>CIPFA</i>
Diana Melville	<i>CIPFA</i>
Rachael Tiffin	<i>CIPFA</i>

### *Observer*

Shehla Husain	<i>DCLG</i>
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## **CONTENTS**

- 1 INTRODUCTION
- 2 REVIEW OF THE CIPFA/SOLACE FRAMEWORK
- 3 THE PRINCIPLES OF GOOD GOVERNANCE - APPLICATION
- 4 ANNUAL REVIEW AND REPORTING



## INTRODUCTION

Local authorities are set for further reductions in government funding over the course of this Parliament. To cope in this time of unprecedented change, they will need to continue to adapt the way in which they operate. Local authorities have responded to austerity through increased collaboration; developing their role as 'enablers' and making further use of alternative delivery vehicles (ADV) for public service provision.

Authorities will need to make difficult decisions which may mean that certain services can no longer be provided, but in doing this they will need to communicate effectively with their communities, service users, stakeholders and individuals to ensure that the most vulnerable citizens continue to be protected. At the same time, local government has been undergoing significant change and the environment in which it works is increasing in complexity. In addition to economic and financial challenge, the integrated health and social care programme, devolution, the Localism Act, the Police Reform and Social Responsibility Act and other key legislation have brought new roles, opportunities and greater flexibility for authorities.

The introduction of new responsibilities and the development of new collaborative structures and ways of working provide challenges for ensuring transparency, demonstrating accountability and, in particular, for managing risk. Whether working with other public sector bodies, the third sector or private sector providers, local authorities must establish robust governance arrangements at the outset. These should include a shared view of expected outcomes supported by effective mechanisms for control and risk management thereby ensuring that the public purse is properly protected.

## REVIEW OF THE CIPFA/SOLACE FRAMEWORK

It is therefore crucial that leaders and chief executives keep their governance arrangements up to date and relevant and in response, CIPFA and SOLACE, are undertaking a fundamental review of the Framework: Delivering Good Governance in Local Government to ensure that it remains 'fit for purpose'. The main principle underpinning the development of the new Framework continues to be that local government is developing and shaping its own approach to governance, taking account of the environment in which it now operates.

The revised Framework (consultation draft) developed by the CIPFA/SOLACE Joint working Group on Good Governance in Local Government builds on the *International Framework : Good Governance in the Public Sector (CIPFA/IFAC 2014)*. The *International Framework* places sustainable economic, societal and environmental outcomes as a key focus for governance processes and structures. It emphasises the importance of considering the longer term and the links between governance and public financial management – all key considerations for local authorities in today's climate.

The core principles and sub principles from the *International Framework* have been adapted for the local government context and translated into a series of expected behaviours and outcomes which demonstrate good governance in practice. The principles in the consultation draft form a standard for good governance and a shared understanding of what constitutes good governance across local government.

Whatever form of arrangements are in place, authorities are urged to test their governance structures against the principles contained in the Framework by:

- reviewing existing governance arrangements
- developing and maintaining an up-to-date local code of governance including arrangements for ensuring ongoing effectiveness
- reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes.

The term 'local code' essentially refers to the governance structure in place as there is an expectation that a formally set out local structure should exist, although in practice it may consist of a number of local codes or documents.

The Framework principles are intended to be applicable to all local authorities and associated organisations and systems ie combined authorities, joint boards, partnerships and other vehicles established through which authorities now work. However, a one-size-fits-all approach to governance is inappropriate. Not all parts of the Framework will be directly applicable to all types and size of structures and it is therefore up to different authorities and organisations to put the Framework into practice in a way that reflects their structures and is proportionate to their size.

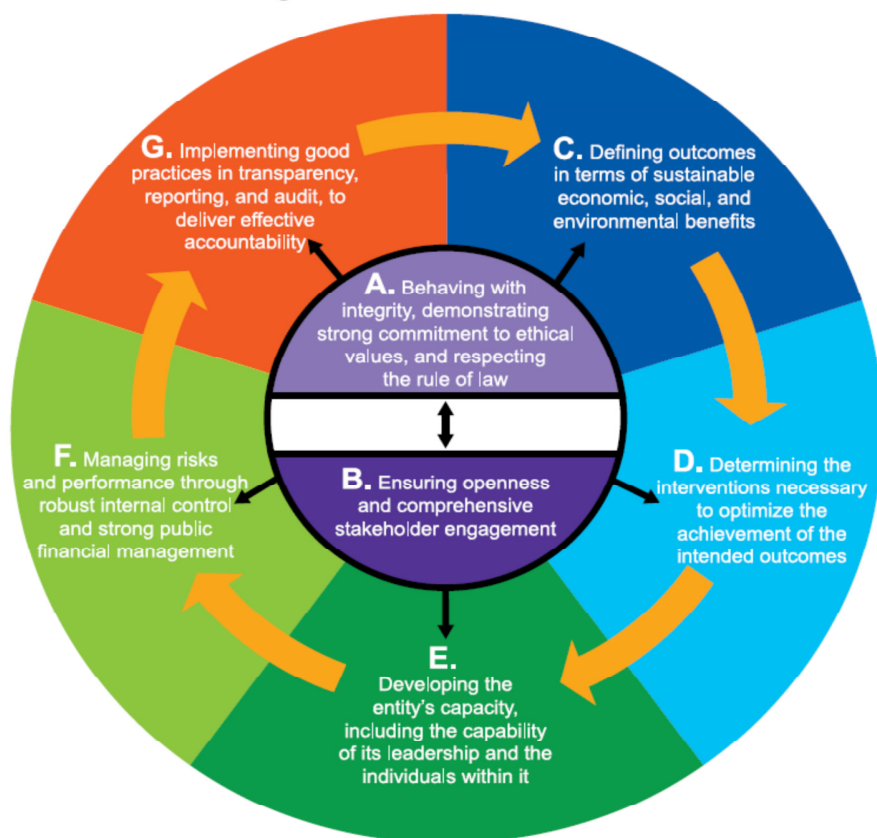
It is also crucial that the Framework is applied in a way that demonstrates the spirit and ethos of good governance which cannot be achieved by rules and procedures alone.

## THE PRINCIPLES OF GOOD GOVERNANCE – APPLICATION

### Defining the core principles and sub principles of good governance

The diagram from the *International Framework*, below illustrates how the various principles for good governance in the public sector relate to each other. Principles A and B permeate implementation of principles C to G. The diagram also illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review.

#### Achieving the Intended Outcomes While Acting in the Public Interest at all Times



To achieve good governance, each local authority should be able to demonstrate that its governance structures are consistent with the core and supporting principles contained in this Framework. It should therefore develop and maintain a local code of governance/governance arrangements reflecting the behaviours and outcomes set out in the next section.

## Defining governance

*"Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved."*

To deliver good governance in the public sector, both governing bodies<sup>1</sup> and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times.

Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders. "

*(International Framework: Good Governance in the Public Sector, CIPFA/IFAC, 2014)*

## Principles for Good Governance in Local Government

The core principles and sub principles set out overleaf are taken from *International Framework: Good Governance in the Public Sector (CIPFA/IFAC)*. In turn, they have been translated into a local government context.

It is up to ***each local authority or local government organisation to*** :

- set out its commitment to the principles of good governance included in this Framework
- determine its own governance structure, or local code, underpinned by these principles
- ensure that it operates effectively in practice.

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<sup>1</sup> In local government, the governing body is the full council or authority. In the Police, Police and Crime Commissioners (PCCs) and Chief Constables (CCs) are corporations sole and are jointly responsible for governance.

Principles and sub principles	Behaviours and outcomes that demonstrate good governance in practice
Acting in the public interest requires:	This commitment will require :
<p><b>A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b></p> <p>Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</p>	<p><b>Behaving with integrity</b></p> <ul style="list-style-type: none"> <li>• Ensuring members and officers behave with integrity</li> <li>• Ensuring members and officers lead a culture where acting in the public interest is the norm</li> <li>• Ensuring members take the lead in establishing specific values<sup>2</sup> for the organisation and its staff and that they are communicated and understood</li> <li>• Ensuring members and officers lead by example and demonstrate the organisation's values through their own thinking and behaviours and use them as a guide to decision making and other actions</li> <li>• Demonstrating and communicating values through appropriate policies/processes such as codes of conduct and policies dealing with whistle blowing and conflicts of interest and reviewing such policies and on a regular basis to ensure that they are operating effectively</li> </ul> <p><b>Demonstrating strong commitment to ethical values</b></p> <ul style="list-style-type: none"> <li>• seeking to understand , monitor and maintain the organisation's ethical performance</li> <li>• underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's operation for example, procurement and staff appointments</li> </ul>

<sup>2</sup> These should build on The Nolan Principles – *The Seven Principles of Public Life*

	<p><b>Respecting the rule of law</b></p> <ul style="list-style-type: none"> <li>ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations</li> <li>creating the conditions to ensure that the statutory officers and other key post holders are able to fulfil their responsibilities</li> <li>striving to use the authority's full powers for the benefit of its citizens, its communities and other stakeholders</li> <li>Dealing with breaches of legal and regulatory provisions effectively</li> <li>Ensuring corruption and misuse of power are dealt with effectively</li> </ul>
<p><b>B. Ensuring openness and comprehensive stakeholder engagement</b></p> <p>Local authorities are run for the public good, they therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.</p>	<p><b>Openness</b></p> <ul style="list-style-type: none"> <li>Demonstrating, documenting and communicating the organisation's commitment to openness</li> <li>making decisions that are open<sup>3</sup> about actions, plans, resource use, forecasts, outputs and outcomes</li> <li>providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, that they are clear about the impact and consequences of those decisions</li> </ul> <p><b>Engaging comprehensively with</b></p>

<sup>3</sup> The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided

	<p><b>institutional stakeholders<sup>4</sup></b></p> <ul style="list-style-type: none"> <li>effectively engaging with stakeholders to ensure that outcomes are achieved successfully and sustainably</li> <li>developing formal and informal collaborative arrangements with other institutional stakeholders ( such as other public sector bodies, third sector or private sector entities) to allow for resources to be used more efficiently and outcomes achieved more effectively</li> <li>defining the purpose, objectives and intended outcomes for each stakeholder relationship</li> <li>using formal and informal consultation and engagement to determine the most appropriate and effective interventions</li> </ul> <p><b>Engaging stakeholders effectively, including individual citizens and service users</b></p> <ul style="list-style-type: none"> <li>establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other ) provision is contributing towards the achievement of intended outcomes.</li> <li>collecting and evaluating the views and experiences of citizens, service users and organisations of different backgrounds</li> <li>implementing effective feedback mechanisms for those consultees in order to demonstrate what has changed</li> </ul>
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<sup>4</sup> The other entities a public sector entity needs to work with to improve services and outcomes or for accountability reasons

	<p>as a result</p> <ul style="list-style-type: none"> <li>• balancing feedback from more active stakeholder groups with other stakeholder groups to ensure that no one group becomes too dominant</li> <li>• taking account of the interests of future generations of tax payers and service users to ensure intergenerational equity</li> </ul>
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<b>Principles and sub principles</b>	<b>Behaviours and outcomes that demonstrate good governance in practice</b>
<p>In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance in the local government also requires effective arrangements for:</p>	<p>This commitment will require :</p>
<p><b>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</b></p> <p>The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing</p>	<p><b>Defining outcomes</b></p> <ul style="list-style-type: none"> <li>• having a clear vision - an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators</li> <li>• ensuring the vision statement provides the basis for the organisation's overall strategy, planning and other decisions</li> <li>• specifying the intended impact on, or changes for, stakeholders including individual citizens and service users. It could be immediately or over the course of a year or longer</li> </ul>



<p>competing demands when determining priorities for the finite resources available</p>	<ul style="list-style-type: none"> <li>• delivering defined outcomes on a sustainable basis within the resources that will be available</li> <li>• developing and publishing sustainability indicators in terms of economic, social and environmental benefits as a means of measuring whether intended outcomes have been achieved</li> <li>• identifying and managing risks to the achievement of outcomes as part of delivering goods and services</li> <li>• managing expectations effectively with regard to determining priorities and making the best use of the resources available</li> </ul> <p><b>Sustainable economic, social and environmental benefits</b></p> <ul style="list-style-type: none"> <li>• considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision</li> <li>• taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the authority's intended outcomes and short-term factors such as the political cycle or financial constraints</li> <li>• determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits , through consultation where possible, in order to ensure appropriate trade offs</li> <li>• ensuring equality of access</li> </ul>
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<p><b>D. Determining the interventions necessary to optimize the achievement of the intended outcomes</b></p> <p>Local authorities achieve their intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of interventions is a critically important strategic choice and authorities have to make to ensure they achieve their intended outcomes. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimized.</p>	<p><b>Determining interventions</b></p> <ul style="list-style-type: none"> <li>• Ensuring decisions makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options</li> <li>• Ensuring best value is achieved however the authority's services are provided</li> </ul> <p><b>Planning interventions</b></p> <ul style="list-style-type: none"> <li>• Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets</li> <li>• Simultaneously engaging with internal and external stakeholders in determining how services and other interventions can best be delivered</li> <li>• Considering and monitoring risks facing each partner when working collaboratively including shared risks</li> <li>• Ensuring arrangements are flexible/agile so that the mechanisms for delivering outputs can be adapted to changing circumstances</li> <li>• Establishing appropriate KPIs as part of the planning process in order to assess how the performance of services and projects is to be measured</li> <li>• Ensuring the organisation has the capacity to generate the information required to review service quality regularly</li> <li>• Preparing budgets in accordance with organizational objectives, strategies and the medium term financial plan</li> <li>• Informing medium and long term resource planning by realistic estimates of</li> </ul>
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	<p>expenditure and revenue, aiming to develop a sustainable funding strategy that fully supports future expenditure and liabilities in accordance with available funding</p> <ul style="list-style-type: none"> <li>• Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts</li> </ul> <p><b>Optimizing achievement of intended outcomes</b></p> <ul style="list-style-type: none"> <li>• Ensuring the medium term financial strategy integrates and trades off service priorities, affordability and other resource constraints</li> <li>• Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term</li> <li>• Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimizing resource usage</li> <li>• Ensuring the achievement of 'social value' through service planning and commissioning</li> </ul>
<b>E. Developing the entity's capacity, including the capability of its leadership and the individuals</b>	<p><b>Developing the entity's capacity</b></p> <ul style="list-style-type: none"> <li>• Ensuring the capabilities of senior management enable the authority to</li> </ul>

<p><b>within it</b></p> <p>Local authorities need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. The authority must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the entity as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of their communities</p>	<p>respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks</p> <ul style="list-style-type: none"> <li>• Reviewing operations and performance on a regular basis to ensure their continuing effectiveness and enable organizational learning</li> <li>• Improving resource use through appropriate application of benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently</li> <li>• Developing and maintaining robust procurement policies and procedures which place emphasis on the organisation's ethical values and objectives and deliver cost effective goods and services</li> </ul> <p><b>Developing the entity's leadership</b></p> <ul style="list-style-type: none"> <li>• Ensuring a constructive relationship exists between members and officers by setting out a clear statement of the respective roles and responsibilities of the executive, of the executive's members individually and the authority's approach to putting this into practice</li> <li>• Clarifying roles and responsibilities of authority members and management at all levels</li> <li>• Developing protocols to ensure that elected and appointed leaders negotiate their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained</li> <li>• publishing a statement that specifies the types of decisions delegated to the</li> </ul>
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	<p>executive and those reserved for the collective decision making of the authority</p> <ul style="list-style-type: none"> <li>• ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority</li> <li>• appointing a senior officer (the S151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and maintaining an effective system of internal financial control</li> <li>• appointing a senior officer (usually the monitoring officer) is responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with</li> <li>• ensuring members and senior officers have the appropriate skills, knowledge resources and support to fulfil their roles and responsibilities</li> <li>• ensuring members are independent of management and free from relationships that would materially interfere with their role</li> <li>• ensuring members receive appropriate induction tailored to their role and ongoing training and development</li> <li>• developing members skills and ensuring that they are able to update their knowledge on a continuing basis</li> <li>• reviewing individual member performance on a regular basis and considering any</li> </ul>
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	<p>training or development needs as well as taking account of their attendance record</p> <ul style="list-style-type: none"> <li>• Regularly assessing skills required by members and making a commitment to fill gaps</li> <li>• Encouraging a wide range of people stand for election and that there are career structures in place to encourage participation and development</li> <li>• taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections</li> <li>• ensuring personal, entity and system-wide development through shared learning</li> </ul> <p><b>Developing the capability of individuals within the entity</b></p> <ul style="list-style-type: none"> <li>• implementing appropriate human resource policies and ensuring that they are working effectively</li> <li>• creating an environment where staff can perform well and ideas and suggestions are welcomed</li> <li>• ensuring staff have realistic job descriptions so that their core responsibilities can be carried out effectively and senior managers' core responsibilities are not compromised by having too wide a portfolio of duties.</li> <li>• Appointing and promoting all staff based on merit</li> <li>• Ensuring all new staff receive induction tailored to their role and subsequent training and development matching individual and organisational requirements</li> <li>• Holding staff to account through regular</li> </ul>
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	<p>performance reviews which take account of training or development needs</p> <ul style="list-style-type: none"> <li>• Considering how benefits, personal development opportunities and potential career progression can promote an engaged and competent work force</li> <li>• Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing</li> </ul>
<p><b>F. Managing risks and performance through robust internal control and strong public financial management</b></p> <p>Local authorities need to ensure that the entities and governance structures that they oversee have implemented—and can sustain—an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving outcomes.</p> <p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability.</p>	<p><b>Managing risk</b></p> <ul style="list-style-type: none"> <li>• Recognising that risk management is an integral part of all activities and must be regarded as a continuous process</li> <li>• Implementing robust and integrated risk management arrangements and ensuring that they are working effectively</li> </ul> <p><b>Managing performance</b></p> <ul style="list-style-type: none"> <li>• Monitoring service delivery effectively including planning, specification, execution and independent post implementation review</li> <li>• Ensuring at all levels, those making decisions are presented with relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook</li> <li>• Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the</li> </ul>

	<p>authority's performance and that of any organization for which it is responsible</p> <ul style="list-style-type: none"> <li>• providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</li> <li>• ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements )</li> </ul> <p><b>Robust internal control</b></p> <ul style="list-style-type: none"> <li>• Aligning the risk management strategy and policies on internal control with achieving the authority's objectives</li> <li>• Evaluating and monitoring the authority's risk management and internal control on a regular basis</li> <li>• Ensuring effective counter-fraud and anti-corruption arrangements are in place</li> <li>• Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor</li> <li>• Ensuring an audit committee or equivalent group or function which is independent of the executive provides a further source of assurance regarding the authority's arrangements for managing risk and maintaining an effective control environment</li> </ul> <p><b>Managing Data</b></p>
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	<ul style="list-style-type: none"> <li>• Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to ensure the security of personal data used</li> <li>• Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring</li> <li>• Ensuring effective arrangements for sharing data with other bodies are in place</li> </ul> <p><b>Strong public financial management</b></p> <ul style="list-style-type: none"> <li>• Ensuring the authority's financial management supports both long term achievement of outcomes and short-term financial and operational performance</li> <li>• Ensuring well-developed financial management is integrated at all organizational levels of planning and control, including management of financial risks and controls</li> </ul>
<p><b>G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b></p> <p>Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.</p>	<p><b>Implementing good practice in transparency</b></p> <ul style="list-style-type: none"> <li>• Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate</li> <li>• Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny whilst not being too onerous for the authority to provide and for users to understand</li> </ul> <p><b>Implementing good practices in reporting</b></p>

	<ul style="list-style-type: none"> <li>• Reporting at least annually in a timely manner to demonstrate to stakeholders in an understandable way on issues including how the authority is performing, whether it is delivering value for money and the stewardship of its resources</li> <li>• Ensuring members and senior management own the results</li> <li>• Assessing the extent that the authority is applying the principles contained in this Framework and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance in action</li> <li>• Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar entities</li> <li>• Publishing separately an assessment of governance arrangements for jointly managed organisations</li> </ul> <p><b>Assurance and effective accountability</b></p> <ul style="list-style-type: none"> <li>• Ensuring that an effective external audit service is in place and acting on recommendations made for corrective action</li> <li>• Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to the authority's governance arrangements and recommendations are acted upon</li> <li>• Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.</li> </ul>
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## ANNUAL REVIEW AND REPORTING

*Delivering Good Governance in Local Government: Framework* urges local authorities to prepare a governance statement in order to report publicly on the extent to which they comply with their own code of governance on an annual basis, including how they have monitored and evaluated the effectiveness of their governance arrangements in the year, and on any planned changes in the coming period. The process of preparing the governance statement should itself add value to the effectiveness of the corporate governance and internal control framework.

The annual governance statement should provide a brief communication regarding the review of governance that has taken place and the role of the governance structures involved (such as the authority and the audit and other committees). It should be high level, strategic and written in an open and readable style. It should be focused on outcomes and value for money and relate to the authority's vision for the area. As a matter of best practice, the annual governance statement should normally be approved at the same time as, and certainly no later than, the statement of accounts.

The preparation and publication of an annual governance statement in accordance with *Delivering Good Governance in Local Government: Framework* fulfils the statutory requirement for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its statement of accounts.



## Appendix 2

### Response to consultation on the revised CIPFA / SOLACE Framework for Delivering Good Governance in Local Government

The CIPFA / SOLACE joint working group on good governance in local government are seeking views on the draft Framework. In particular we would welcome comments on the following:

- 1. Would this Framework Good Governance in Local Government assist you in developing and modernising your own local code of governance/governance arrangements?**

Yes, this will be a useful tool for reviewing existing and proposed governance arrangements.

- 2. Would this draft Framework assist you in establishing governance arrangements for collaborative working (alternative delivery vehicles, partnerships etc.) ?**

Yes, this will be a useful tool for reviewing existing and proposed governance arrangements for collaborative working.

- 3. Are there any parts of the Framework that you would find difficult to follow/comply with?**

No, the Framework is generally a good fit with the Council's existing arrangements.

- 4. Have we got the terminology right, with particular reference to collaborative working? If not, how could it be improved?**

The terminology is right in that it appears flexible enough to accommodate a wide variety of collaborative working platforms.

- 5. Principle E looks at the relationship between members and officers. Have we got the tone and balance right? If not, how could it be improved?**

The Council agrees that it is important that the Framework emphasises the need for authorities to build constructive and appropriate relationships between members and officers setting out their respective roles and responsibilities clearly. The tone and balance are right.

- 6. Is any further guidance required with regard to the development of a local code?**

No

- 7. What further guidance is required with regard to the preparation of the annual governance statement?**

None

- 8. Are there any other aspects of governance that are not in the draft Framework which you believe should be addressed?**

No

- 9. How might the Framework be improved?**

We have no suggestions for improvement given that we agree that local government must continue to develop and shape its own approach to governance in the current environment and believe that the principles on which the draft Framework is based are sound.

- 10. Are there any other issues or areas that are not in the draft Framework which you believe should be addressed in the guidance note?**

No

- 11. It is envisaged that the revised Framework would apply from the financial year 2015/2016. Please could you let us know if you have any concerns regarding the proposed timetable?**

Given the likely timescale for finalisation of the Framework and guidance we believe it should apply from 2016/17.



**AGENDA ITEM: 8**

**STANDARDS COMMITTEE  
17 SEPTEMBER 2015**

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**Report of: Managing Director (People and Places) and Borough Solicitor**

**Contact for further information: Mrs C A Jackson (Extn. 5016)  
(E-mail: [cathryn.jackson@westlancs.gov.uk](mailto:cathryn.jackson@westlancs.gov.uk))**

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**SUBJECT: STANDARDS COMMITTEE ANNUAL REPORT 2014/15**

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Wards affected: Borough wide.

**1.0 PURPOSE OF THE REPORT**

1.1 To present the Standards Committee Annual Report 2014/15.

**2.0 RECOMMENDATIONS**

2.1 That the Standards Committee Annual Report 2014/15, attached at Appendix 1, be noted, endorsed and published on the Council's website.

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**3.0 BACKGROUND**

3.1 The Standards Committee Annual Report is attached at Appendix 1 and provides details of the work undertaken by the Committee during 2014/15.

**4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY**

4.1 There are no significant sustainability impacts associated with the report. Promoting and maintaining high ethical Standards contributes to achievement of the Community Strategy.

**5.0 FINANCIAL AND RESOURCE IMPLICATIONS**

5.1 There are no significant resource implications arising from this report.

**6.0 RISK ASSESSMENT**

6.1 There are no risks to the Council's business objectives associated with the Annual Report.

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### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees and / or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

Appendix 1      Standards Committee Annual Report 2014/15





## **STANDARDS COMMITTEE ANNUAL REPORT 2014/15**

### **1.0 INTRODUCTION**

Section 53 of the Local Government Act 2000 (the 2000 Act) provided a legal requirement for the Council to establish a Standards Committee. With the introduction of the Localism Act 2011 ("the Act") this was repealed. Although under the Act there is no legal requirement to have a Standards Committee there is still a need to comply with the statutory duty to promote and maintain high standards of conduct and deal with standards issues and case-work. On 19 June 2012 Council considered proposals in relation to the introduction of a new Standards regime as required by the Act and agreed the establishment of a Standards Committee from 1 July 2012.

The main role of the Committee is to promote and maintain high standards of conduct throughout the authority and create a sense of 'ethical well-being'. The Standards Committee and the Monitoring Officer are at the heart of the standards framework. They promote, educate and support Councillors and Co-opted Members within West Lancashire in following the highest standards of conduct.

### **1.1 Role and Function of the Standards Committee**

- (a) promoting and maintaining high standards of conduct by councillors and co-opted members and operating the "Standards regime – arrangements" as appropriate;
- (b) assisting councillors and co-opted members to observe the Members' Code of Conduct;
- (c) advising the Council on the adoption or revision of the Members' Code of Conduct;
- (d) monitoring the operation and effectiveness of the Members' Code of Conduct;
- (e) advising, training or arranging to train councillors and co-opted members on matters relating to the Members' Code of Conduct;

- (f) granting dispensations to councillors and co-opted members from requirements relating to interests set out in the Members' Code of Conduct;
- (g) dealing with any reports from the monitoring officer on any matter which is referred to the monitoring officer;
- (h) setting up procedures for the initial assessment of alleged breaches of the Codes of Conduct for Members;
- (i) setting up procedures for the investigation of and subsequent report on, alleged breaches of the Codes of Conduct for Members;
- (j) the exercise of (a) to (i) above in relation to the parish councils wholly or mainly in its area and the members of those parish councils;
- (k) advising the Council on the adoption and subsequent review of a Code of Conduct for officers;
- (l) advising, training or arranging to train officers on matters relating to the Code of Conduct for officers;
- (m) advising the Council on the adoption and subsequent review of the Council's Whistleblowing Code;
- (n) dealing with applications from officers for exemptions from political restrictions in respect of their posts;
- (o) where appropriate, issuing direction to include a post in the list of politically restricted posts it maintains;
- (p) advising, following consultation with appropriate parties, on the application of criteria for designation of a politically restricted post.

## **1.2 Membership**

The Standards Committee must comprise at least six councillors. In 2014/15 six members were appointed to the Committee. The Chairman and Vice-Chairman are appointed at Council and, respectively, are the Leader of the Council and Leader of the main Opposition Group. At least three elected members of the Standards Committee must be present at its meetings. Substitute members may be nominated in exceptional circumstances and if the nominated substitute has been appropriately trained.

## **1.3 Independent Person and Reserve Independent Person**

The Localism Act 2011 introduced a requirement to appoint an 'Independent Person'(IP). Following a recruitment process during May/June 2012 an IP and a 'Reserve Independent Person'(RIP) were appointed effective from 1

July 2012. The role of the IP, and RIP (when the IP is unavailable or conflicted), is to be consulted on alleged breaches of the Code of Conduct

The IP and RIP are not members of the Standards Committee but are invited to its meetings and they regularly attended during 2014/15.

## **2.0 WORK OF THE COMMITTEE 2014/15 – OVERVIEW**

The Committee's main responsibility is to promote and maintain high standards of conduct for Councillors within West Lancashire. It does this through providing training and support and following a proactive Work Programme.

### **2.1 Standards Committee – Arrangements**

As a result of the implementation of duties under the Localism Act 2011, from the 1 July 2012 the Council set out its arrangements for dealing with complaints of misconduct and the actions which may be taken against a member who is found to have failed to comply with the relevant Code of Conduct. Also, the Council delegated appropriate powers to the Standards Committee and to the Monitoring Officer. The functions of the Standards Committee are set out in Article 9 of the Constitution.

The Managing Director (People and Places) is the Monitoring Officer (MO) and on 19 June 2012 was duly appointed as the Proper Officer to receive complaints of failure to comply with the Code of Conduct.

#### **(a) Decision whether to investigate a complaint**

Under delegated authority, from 1 July 2012 the initial decision on whether a complaint requires formal investigation, is determined by the Monitoring Officer (MO), subject to consultation with the Independent Person (IP) as is the ability to refer particular complaints to the Standards Committee (Assessment Sub-Committee) where the MO feels that it would be inappropriate for her to take a decision on the complaint, if there were particular sensitivities.

The adoption of these arrangements provides an opportunity for the MO to seek to resolve a complaint informally before taking a decision on whether the complaint merits formal investigation.

During 2014/15 two complaints were received. Additionally, 1 complaint, brought forward from the previous period, was concluded. Two decisions were pending at the end of 2014/15 and the outcome will be reported in the 2015/16 Report.

The MO provides regular updates to the Standards Committee in respect of the number and nature of complaints received.

#### **(b) “No Breach of Code” finding on investigation**

The arrangements also provide that where a formal investigation finds no evidence of failure to comply with the Code of Conduct, the MO be asked to close the matter, providing a copy of the report and findings of the investigation to the complainant and to the member concerned, and to the Independent Person. The findings would also be reported to the Standards Committee for information.

During 2014/15 the use of this was not required.

(c) **“Breach of Code” finding on investigation**

The arrangements also provide that where a formal investigation finds evidence of a failure to comply with the Code of Conduct, the MO, in consultation with the IP, has been authorised to seek local resolution to the satisfaction of the complainant in appropriate cases, with a summary report for information to the Standards Committee. Where such a local resolution is not possible the MO can report the investigation findings to a Hearings Sub-Committee of the Standards Committee for local hearing.

The procedure was not required during 2014/15.

(d) **Action in response to a Hearing Sub-Committee finding of failure to comply with the Code**

The Council has also delegated to a Hearings Sub-Committee powers to take decisions in respect of a member who is found on hearing to have failed to comply with the Code of Conduct. Such actions are set down at paragraph 9.04(e) of Article 9.

During 2014/15 the Hearings Sub-Committee has not met.

(e) **Appeals**

There is no requirement for appeals to be put in place under the new arrangements.

## **2.2 Sub-Committees – Terms of Reference**

- **Assessment Sub-Committee** – ‘To make decisions as to whether to investigate a complaint referred to the Sub-Committee by the Monitoring Officer or to take no further action.’
- **Hearings Sub-Committee** – ‘To hear cases referred to it and decide whether a member has breached the Code of Conduct and, if so, to decide if a sanction should be applied and what form the sanction should take.’

## **2.3 Training**

A training session is generally held in November each year, attended by Borough and Parish Councillors, including Standards Committee Members, the IP and RIP, Heads of Service and Legal and Member Services Officers. This session was postponed to be held after the elections in May 2015 to allow newly elected Councillors to access the training at an early stage. An updated training pack was, however, issued to all Councillors and Parish Councillors in November 2014.

In-house training was also provided to newly elected Councillors as part of the induction session and to Members to support their role particularly on licensing and planning committees.

## **2.4 Promoting Standards**

The Standards Committee, supported by the Managing Director (People and Places) and the Borough Solicitor, works to promote the role of the Committee and to ensure high ethical standards are promoted within West Lancashire in the following manner:

### **(a) The Council's Website**

A dedicated Standards Committee area of the Council's website has been provided and this is regularly updated.

### **(b) Parish Clerks Meeting**

The Assistant Member Services Manager attends meetings of this group and advises on the standards regime.

### **(c) Local Democracy Week**

Schools are invited to attend the Council Offices to take part in a debate and are given information on the Code of Conduct and Declarations of Interests.

### **(d) 'West Lancs Now' and Press Releases**

Appropriate articles on the work of the Committee are included in the 'West Lancs Now' newsletter which is distributed to Councillors and Officers and for the press.

## **2.5 Proactive Work Undertaken during 2014/15**

During 2014/15, under the Chairmanship of Councillor Westley, as Leader of the Council and Vice Chairman Councillor Bell, as Leader of the Labour Group supported by the Monitoring Officer, the Committee considered a range of issues including:

- (a) Assessment work, including consideration of complaint statistics. Complaints and reviews were assessed within the required performance target.
- (b) Revisions to the Officer Code of Conduct following a review to ensure the Code is still fit for purpose and in line with current legislation.
- (c) The update to the Planning Code of Conduct in response to changes in law regarding members interest and predetermination introduced under the Localism Act 2011 and Government guidance in relation to “openness and transparency on personal interests”.
- (d) Consideration of revisions to Standards Regime Arrangements (Article 9 of the Constitution) relating to the IP and RIP arrangements.
- (e) Consideration of a review of the Independent Person Protocol introduced in July 2013 to support the work of the IP and RIP.

## **2.6 Dispensations**

No applications for dispensations were considered by the Committee during 2014/15.

## **3.0 REGISTER OF MEMBERS’ DISCLOSABLE PECUNIARY (DPIs) AND NON-PECUNIARY INTERESTS (Non-PIs)**

Members are required to complete a notification of DPIs and Non-PIs for inclusion on the Register of Members Disclosable Pecuniary and Non-Pecuniary Interests and are reminded annually of their requirement to ensure that their Register of these interests is up-to-date. Newly elected members are also advised by letter and at induction, of the 28 day deadline for completing their interests forms.

Copies of notifications by Members or Co-opted Member of DPIs and Non-PIs in the register are published on the Council’s website and the register is available for public inspection.

An item is included on every Borough Council, Cabinet, Committee, Working Group and Panel Agendas to remind Members of the importance of declaring interests and a check list is included to assist Members in deciding if they have any declarations.

## **4.0 THE CONSTITUTION**

Sections 16 and 17 of the Council's Constitution contains various Codes and Protocols relevant to the functions of the Committee as follows:

- Borough Council and Parish Councils Members' Code of Conduct
- Protocol on Member/Officer Relations
- Planning Code of Good Practice
- Protocol on the use of ICT by Members
- Independent Person Protocol
- Officers' Code of Conduct
- Whistleblowing Code
- Indemnity

Section 3.13A of the Council's Constitution details the Monitoring Officer Protocol.

## **5.0 PARTNERSHIP GOVERNANCE**

Governance arrangements are in place for partnerships that are appropriate for the specific arrangement. For example, there is a framework of contracts governing the Council's relationship with the Leisure Trust / Serco and Lancashire County Council/BT Lancashire Services (BTLS) and a Parish Charter on joint working with Parish Councils.

## **6.0 THE YEAR AHEAD**

To ensure that standards are maintained and promoted the Committee will include in its Work Programme for 2015/16 to:

- Deal with matters or reports from the Monitoring Officer;
- Consider the Annual Monitoring Training Report;
- Consider its Annual Report;
- Consider Applications for Dispensation;
- Consider any new / revised Protocols;
- Provide / update information on the dedicated Standards Committee area of the Council's website;
- Provide a Code of Conduct Seminar / Workshop for Standards Committee Members / Officers, Borough and Parish Councillors and the IP and RIP;
- Invite schools during Local Democracy Week to attend the Council Offices to take part in a debate and provide information on the Code of Conduct and Declarations of Interest.

The Committee may also consider, if requested by the MO, alleged breaches of the Code of Conduct referred to it and will note the decisions on alleged breaches determined by the MO in consultation with the IP.

## **7.0 OFFICER SUPPORT**

Gill Rowe, Managing Director (People and Places) (Monitoring Officer)  
01695 585004 – Email [gill.rowe@westlancs.gov.uk](mailto:gill.rowe@westlancs.gov.uk)

Terry Broderick, Borough Solicitor (Deputy Monitoring Officer)  
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Cathryn Jackson, Principal Overview and Scrutiny Officer  
01695 585016 – Email [cathryn.jackson@westlancs.gov.uk](mailto:cathryn.jackson@westlancs.gov.uk)





## **AGENDA ITEM: 9**

**STANDARDS COMMITTEE:  
17 SEPTEMBER 2015**

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**Report of: Managing Director (People and Places) and Borough Solicitor**

**Contact for further information: Mrs C A Jackson (Extn 5016)  
(E-mail: [cathryn.jackson@westlancs.gov.uk](mailto:cathryn.jackson@westlancs.gov.uk))**

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**SUBJECT: ANNUAL MONITORING OF TRAINING REPORT 2014/15**

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Wards affected: Borough wide

### **1.0 PURPOSE OF THE REPORT**

- 1.1 To consider and evaluate the effectiveness of the training undertaken to date in relation to the Code of Conduct and standards.

### **2.0 RECOMMENDATIONS**

- 2.1 That the training undertaken and the evaluation of it be noted.
- 

### **3.0 BACKGROUND**

- 3.1 One of the key roles of the Standards Committee is to ensure that Members are properly trained in the requirements of the Code of Conduct. The Council, as part of the Localism Act 2011 (Section 27), has a statutory role to promote and maintain high standards of conduct for its elected and co-opted Members. Article 9 of the Constitution sets out the responsibilities of the Committee that includes:

- (a) promoting and maintaining high standards of conduct by Councillors and co-opted Members and operating the Standards Regime Arrangements.
- (b) assisting Councillors and co-opted Members to observe the Authority's Code of Conduct;
- (c) monitoring the operation of the Members Code of Conduct;
- (d) advising, training or arranging to train Members and co-opted Members on matters relating to the Members Code of Conduct.

- 3.2 It is essential that **all** Members receive training (including Parish and Co-opted Members) on the Code of Conduct.

#### **4.0 TRAINING REQUIREMENT**

- 4.1 There seem to be four main aspects to the Code where Members require training:-

- Background – statutory role (Localism Act 2011 (Section 27))
- General obligations.
- Registration and disclosure of Disclosable Pecuniary Interests (DPIs) (probably the most complex area), Pecuniary and Non-Pecuniary Interests.
- The need to notify the Monitoring Officer of changes to the Register including notification of gifts and hospitality.

#### **4.2 Background**

- 4.2.1 This would cover the framework for receiving complaints, the local code, dealing with sanctions and include the roles of:-

- the Monitoring Officer
- the Independent Person and Reserve Independent Person
- the Standards Committee

#### **4.3 General Obligations**

- 4.3.1 This would cover:-

- general principles governing conduct (seven principles)
- when the code applies (when acting as a representative of the Council)
- the duty not to disclose
- access to information
- bringing the authority into disrepute
- improperly conferring an advantage or disadvantage
- legal obligations
- use of resources
- publicity
- advice of Statutory Officers
- reasons for decisions

#### **4.4 Declarations of Interest**

- 4.4.1 Historically, the most difficult area for Members has been to understand when interests need to be declared, and, in particular, to recognise what type of interest is involved.

- 4.4.2 This will include:-

- when does the duty to disclose arise? How much detail must be given?

- what are disclosable pecuniary interests?
- what is a pecuniary interest?
- what is a non-pecuniary interest?
- when does a non-pecuniary interest become a pecuniary interest?
- when do you have to leave a meeting?
- the different rules for Cabinet and Overview and Scrutiny
- how/when to apply for a dispensation

#### **4.5 The Register of Members' Disclosable Pecuniary Interests (DPIs) and notifiable non-pecuniary interests**

##### **4.5.1 This will cover:-**

- what has to be declared to the Monitoring Officer
- when it has to be done
- rights of public inspection, including publication on the Council's web-site.

#### **4.6 Equality Enactments**

##### **4.6.1 Separate training on equalities is organised via Human Resources.**

### **5.0 DELIVERY OF TRAINING**

#### **5.1 Code of Conduct**

5.1.1 From the adoption of the first Code of Conduct in 2002 and subsequently those adopted in 2007 and 2012, training sessions have been held regularly either by external providers North West Employers', Bevan Brittan and Weightmans Solicitors or in-house. With the introduction of the revised Code of Conduct in 2007 we moved to an Annual Seminar/Workshop. These were useful case study sessions with model answers which has continued to be a successful mode of training.

5.1.2 An in-house training session, held on 14 May 2015 at the Council Offices in Ormskirk, was delivered on the Code of Conduct and a Training Pack was issued to all Standards Committee Members, Borough Councillors, Parish Clerks and Parish Councillors in West Lancashire. This comprised the West Lancashire Borough Council and Parish Councils Members' Code of Conduct, information in relation to the Code of Recommended Practice on Publicity, the DCLG Guidance to Councillors on Personal Interests and a set of notes and case studies with model answers. Additionally, the training pack provided information on the Planning Protocol.

#### **5.2 Induction and other methods/training**

5.2.1 New Councillors are introduced to the Code at the Induction Sessions. Induction training also refers to the Protocol on Member/Officer Relations, the Protocol on Member/Officer Relations and other training offered including specific training in relation to Planning and Licensing.

- 5.2.2 Members may also attend external training on the Code should they so wish and any other relevant training to assist them in their role.

### **5.3 Guidance**

- 5.3.1 Guidance to Members and Parishes on the Code has been issued by the Monitoring Officer at regular intervals. Members are advised by email annually about the need to keep their Register up-to-date, usually following the May elections. An annual letter is also sent, via email, to Parish Clerks for them to remind their Parish Councillors of their obligations under the Code to keep their Register up-to-date.

## **6.0 MONITORING**

- 6.1 Details are kept of attendance at training sessions, so the Standards Committee are able to monitor the take up of the training.
- 6.2 The success of the training is assessed each year by a customer satisfaction questionnaire after each training event and can be followed up by asking Members if they need further training on certain aspects, or a general “refresher”.

## **7.0 IDENTIFICATION OF TRAINING NEEDS AND TRAINING PLANS**

- 7.1 Training offered and undertaken by each Councillor is recorded on their individual Training Plan. Members new to the Council are issued with an Identification of Training Needs (ITN) questionnaire, through the induction process, to identify their learning and development needs. This can be followed up with ‘one to one’ if preferred. The Independent Person and Reserve Independent Person are also included in this exercise.

## **8.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY**

- 8.1 The training provided will assist in promoting high ethical Standards which will in turn contribute to achievement of the Community Strategy.

## **9.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 9.1 The costs of providing training on standards is met from existing budget provision.

## **10.0 RISK ASSESSMENT**

- 10.1 Training is provided to ensure Members are fully aware of the requirements placed upon them. This will enable them to avoid being in breach of the Code of Conduct with all the adverse consequences which would necessarily flow. Specific training for Standards Committee Members is provided to enable them to carry out their duties effectively.

### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

None.





## **AGENDA ITEM: 10**

**STANDARDS COMMITTEE  
17 SEPTEMBER 2015**

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**Report of: Managing Director (People and Places) and Borough Solicitor**

**Contact for further information: Mrs C A Jackson (Extn. 5016)  
(E-mail: [cathryn.jackson@westlancs.gov.uk](mailto:cathryn.jackson@westlancs.gov.uk))**

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**SUBJECT: ANNUAL REVIEW OF INDEPENDENT PERSON PROTOCOL**

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Wards affected: Borough wide.

### **1.0 PURPOSE OF THE REPORT**

1.1 To review the Independent Person Protocol.

### **2.0 RECOMMENDATIONS**

2.1 That the Independent Person Protocol, attached as Appendix 1, be endorsed.

2.2 That the thanks of the Committee to the Independent Person (IP), and Reserve Independent Person (RIP), be recorded.

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### **3.0 BACKGROUND**

3.1 The statutory role of the Independent Person appointed under Section 28(7) of the Localism Act 2011 is to assist the Council to discharge its duty to promote and maintain high standards of conduct amongst Members and Co-opted Members both of the Borough Council and those Parish Councils within the Borough.

3.2 The protocol, attached at Appendix 1, (Constitution 16.5) was endorsed by this Committee at its meeting in on 22 July 2013. The Protocol was reviewed at a meeting of the Committee held on 18 September 2014. No changes were proposed and the Protocol, as currently drafted, deals with matters appropriately.

3.3 The Independent Person (IP) and Reserve Independent Person (RIP) subsequently indicated their acceptance of the Protocol by signing a copy before the Monitoring Officer.

#### **4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY**

- 4.1 There are no significant sustainability impacts associated with the report. Promoting and maintaining high ethical Standards contributes to achievement of the Community Strategy.

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

- 5.1 There are no significant resource implications arising from this report.

#### **6.0 RISK ASSESSMENT**

- 6.1 There are no risks to the Council's business objectives associated with the Protocol.

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#### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

#### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees and / or stakeholders. Therefore no Equality Impact Assessment is required.

#### **Appendix**

Appendix 1 - Independent Person Protocol





The statutory role of an Independent Person appointed under Section 28(7) of the Localism Act 2011 is to assist the Council to discharge its duty to promote and maintain high standards of conduct amongst Members and Co-opted Members both of the Borough Council and those Parish Councils within the Borough.

This protocol has been established to clarify how the Independent Person will fulfil this role:

1.     Considering complaints of failure to comply with the Code of Conduct
  - 1.1    The Monitoring Officer (MO) will seek the views of the Independent Person (IP) before determining whether a written complaint merits formal investigation, recognising that where appropriate the MO will seek to resolve complaints without formal investigation.
  - 1.2    The MO has been given discretion by Council to refer decisions on investigation to the Standards Committee where she feels that it is inappropriate for her to take the decision and report to Standards Committee on the discharge of this function.
  - 1.3    Following consideration of a written complaint, a decision letter will be issued by the MO which will record that the IP has been consulted and that their views have been taken into account.
  - 1.4    Where at any time the IP is unable to act because of a conflict of interest or because they are otherwise unavailable their role will be carried out by the Reserve Independent Person (Reserve).

2.     Matters under investigation

- 2.1    The MO may consult the IP at any stage during the process.
- 2.2    Where a matter has been referred to the Standards Committee for determination, the Committee may seek the views of the IP before reaching its conclusions.
- 2.3    The IP may be consulted by a member or co-opted member of the Council or of a Parish Council against whom a complaint has been made.

3.0    Decisions

- 3.1    The IP must be consulted before a finding is made as to whether a member has failed to comply with the Code of Conduct; or action to be taken in respect of that member (this means on a decision to take no action where the investigation finds no evidence of breach or, where the investigation finds evidence that there has been a breach, on any local resolution of the complaint, or on any finding of breach and on any decision on action as a result of that finding);

4.0    Relationship with the Standards Committee

- 4.1    The Standards Committee and MO are responsible for ensuring that the Council meets its duty to promote and maintain high standards. However, the IP has the right to be consulted on any proposed changes to the Code of Conduct or procedures for handling allegations.
- 4.2    The IP and Reserve shall receive agendas and minutes of all meetings of the Standards Committee and shall be entitled to attend those meetings and, with the agreement of the Chairman, speak at the Committee.

5.0    Other matters

- 5.1    The IP and Reserve have the right of access to confidential information required to carry out their role. Access to such information shall be agreed with the MO. In carrying out the role the IP and Reserve shall keep confidential all confidential information they shall receive or become aware of in undertaking their duties. Access to such information shall be agreed with the MO except where it shall otherwise come into the possession of the IP or Reserve in the course of performing their role.
- 5.2    The IP and Reserve have the right of access to Council buildings in order to carry out their role. Access should be agreed with the MO.

- 5.3    The IP and Reserve are expected to declare any relevant interests in relation to cases to the MO who will decide whether the interests conflicts them out of involvement in the matter.

## **ANNEX**

### **PRINCIPLES**

#### **Selflessness**

Holders of public office should act solely in terms of the public interest.

#### **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

#### **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

#### **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

#### **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

#### **Honesty**

Holders of public office should be truthful.

#### **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.



## **AGENDA ITEM: 11**

**STANDARDS COMMITTEE  
17 SEPTEMBER 2015**

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**Report of: Managing Director (People and Places) and Borough Solicitor**

**Contact for further information: Mrs C A Jackson (Extn 5016)  
(E-mail: [cathryn.jackson@westlancs.gov.uk](mailto:cathryn.jackson@westlancs.gov.uk))**

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**SUBJECT: COMPLAINTS STATISTICS**

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Wards affected: Borough wide.

### **1.0 PURPOSE OF THE REPORT**

1.1 To provide statistical information in relation to Standards Complaints.

### **2.0 RECOMMENDATION**

2.1 That the Standards Complaints Statistics, attached at Appendix 1 and 2, be noted.

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### **3.0 CURRENT POSITION**

3.1 Attached at Appendices 1 and 2 is statistical information provided in relation to Standards Complaints for 2014/15 and 2015/16 to date.

### **4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY**

4.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

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

5.1 There are no significant financial or resource implications arising from this report.

### **6.0 RISK ASSESSMENT**

6.1 This item does not require a formal risk assessment and no changes have been made to risk registers as a result of this report.

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## **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

## **Appendices**

Appendix 1 – Standards Complaints 2014/2015

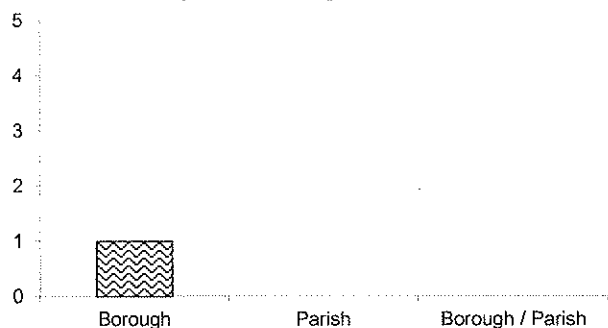
Appendix 2 - Standards Complaints 2015/16 to date

As at 31/03/2015

Complaints brought forward

Borough	1
Parish	0
Borough / Parish	0
Total	1

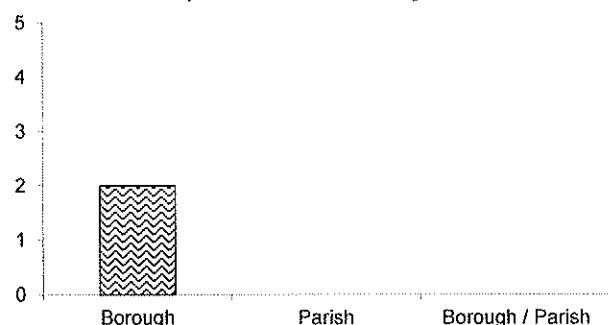
Complaints brought forward



Complaints received in year

Borough	2
Parish	0
Borough / Parish	0
Total	2

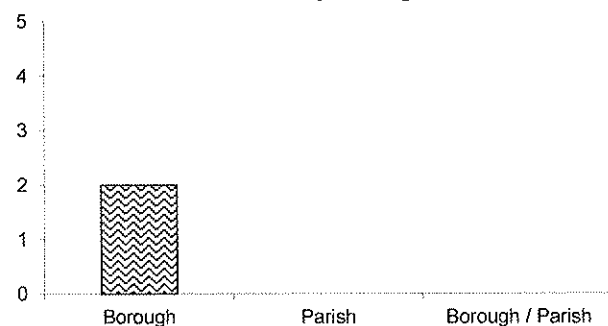
Complaints received in year



Decisions pending

Borough	2
Parish	0
Borough / Parish	0
Total	2

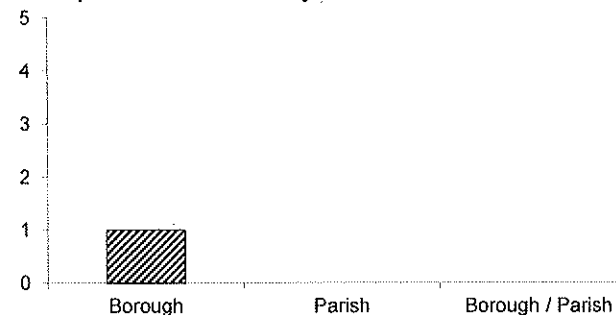
Decisions pending



Monitoring officer in consultation with IP - complaint does not merit further action

Borough	1
Parish	0
Borough / Parish	0
Total	1

Complaints determined by MO/IP - no further action









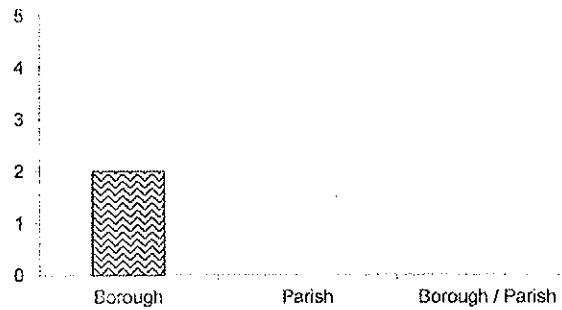
## STANDARDS COMPLAINTS 2015 / 2016

As at 31/08/2015

## Complaints brought forward

Borough	2
Parish	0
Borough / Parish	0
Total	2

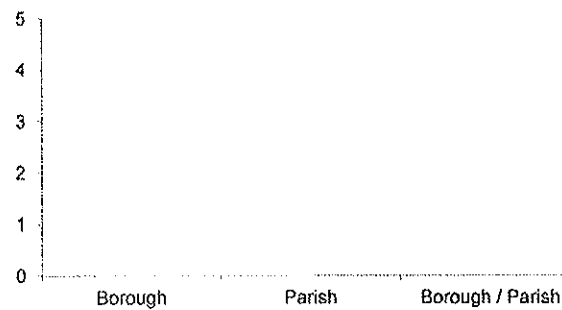
## Complaints brought forward



## Complaints received in year

Borough	0
Parish	0
Borough / Parish	0
Total	0

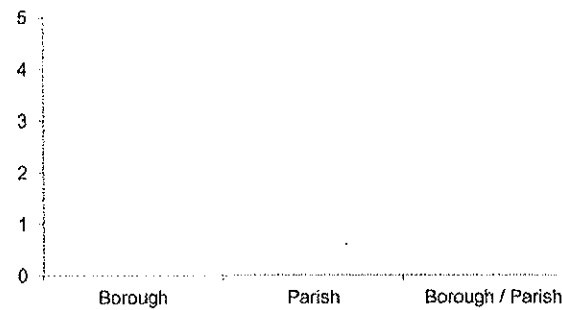
## Complaints received in year



## Decisions pending

Borough	0
Parish	0
Borough / Parish	0
Total	0

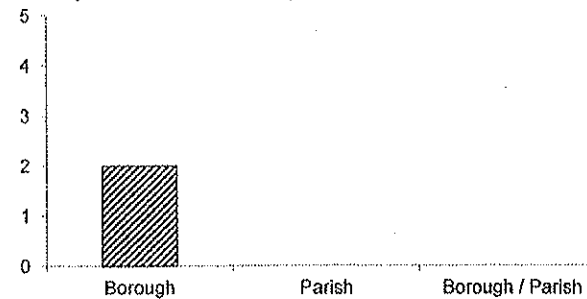
## Decisions pending



## Monitoring officer in consultation with IP - complaint does not merit further action

Borough	2
Parish	0
Borough / Parish	0
Total	2

## Complaints determined by MO/IP - no further action

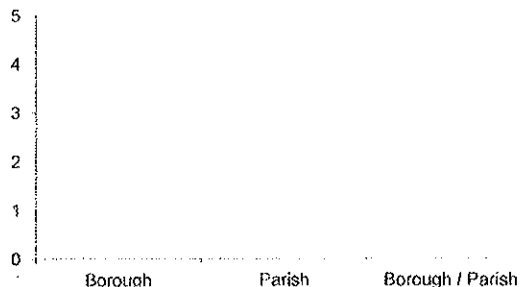


As at 31/08/15

MO in consultation with IP - complaint can be resolved without need for formal investigation

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

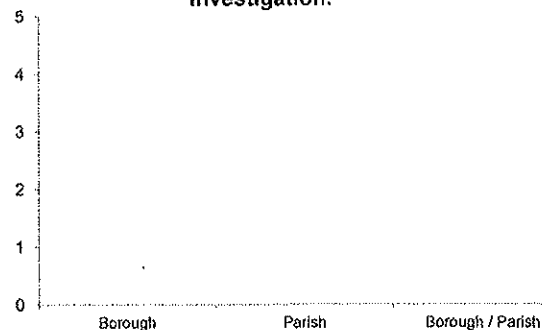
Complaints determined by MO/IP - resolve without need for formal investigation (local resolution).



MO in consultation with IP - complaint requires formal investigation

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

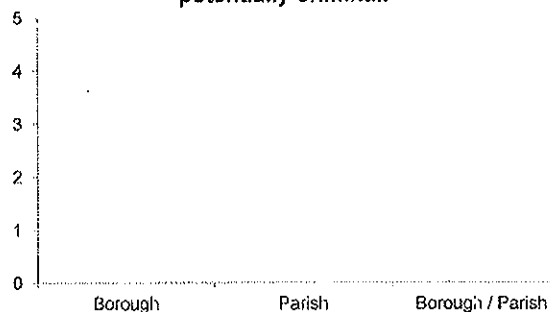
Complaints determined by MO/IP - require formal investigation.



MO in consultation with IP - Complaint referred to the Police as potentially criminal.

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

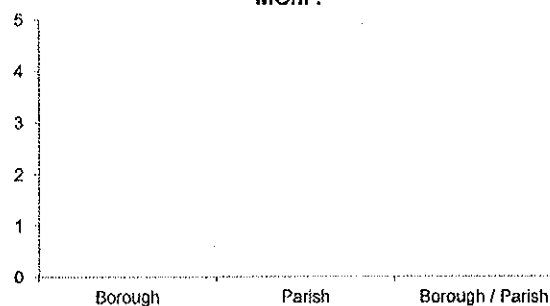
Complaints determined by MO/IP - referred to Police as potentially criminal.



MO in consultation with IP - complaints referred to Assessment sub-committee for consideration

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

Complaints referred to Assessment sub-committee by MO/IP.



As at 31/08/15

Assessment sub-committee -  
complaint does not merit further  
action

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

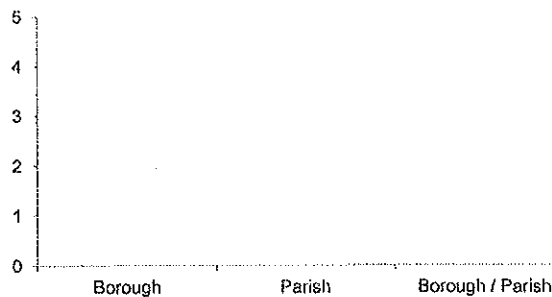
Assessment sub-committee - complaint does not merit  
further action.



Assessment sub-committee -  
complaint referred to the Police as  
potentially criminal

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

Assessment sub-committee - complaint referred to  
Police as potentially criminal.



Assessment sub-committee -  
complaint requires formal  
Investigation

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

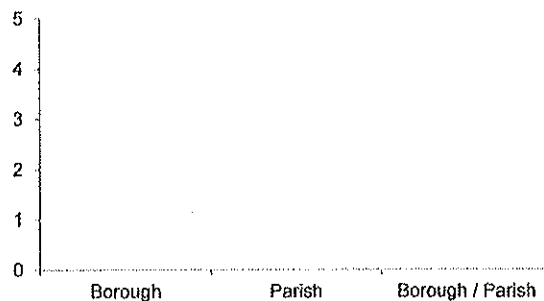
Assessment sub-committee - complaint requires formal  
investigation



Investigation - No evidence of failure  
to comply - no further action

Borough 0  
Parish 0  
Borough / Parish 0  
Total 0

Investigation - No evidence of failure to comply - no  
further action





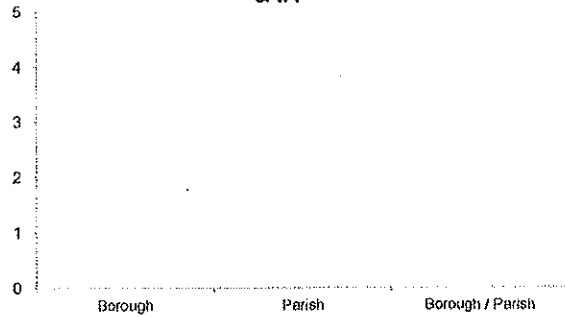
# STANDARDS COMPLAINTS 2015 / 2016

As at 31/08/15

Investigation - finds breach - local resolution through MO & IP

Borough	0
Parish	0
Borough / Parish	0
Total	0

Investigation - finds breach - local resolution through MO & IP.



Investigation - finds breach - referred to the Hearing sub - committee for local hearing.

Borough	0
Parish	0
Borough / Parish	0
Total	0

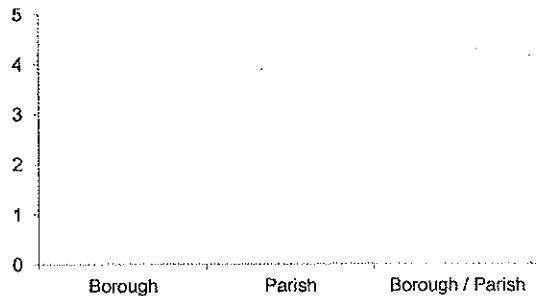
Investigation - finds breach - referred to the Hearing sub-committee for local hearing.



Hearing sub-committee - no breach found following hearing

Borough	0
Parish	0
Borough / Parish	0
Total	0

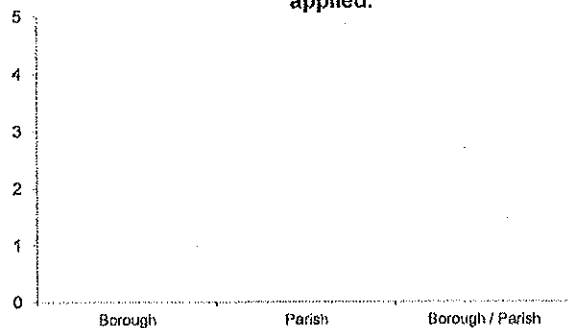
Hearing sub-committee - no breach found following hearing.



Hearing sub-committee - breach found and sanction(s) applied.

Borough	0
Parish	0
Borough / Parish	0
Total	0

Hearing sub-committee - breach found and sanction(s) applied.



**Standards Committee Work Programme – September 2015**

(Meetings end March and September, as appropriate)

	<b>Timescale</b>	<b>Comments</b>
1 Lessons to be learned from reported complaints/monitoring of compliance with the Code	As and when required	On going
2 New/Revised Protocols	As and when required	On going
3 Annual Monitoring of Training Report	September 2016	
4 Individual Training Needs Survey, Individual Training Plans and Training Records for Independent Person and Reserve Independent Person	Annual	
5 Code of Conduct Seminar for Officers, Borough and Parish Councillors (Press Release to be issued – Details on website)	May/June 2016	
6 Hearings and Investigations	As and when required	On going
7 Consideration of applications for dispensations	As and when required	On going
8 Standards Committee – Annual Report	September 2016	
9 Review of the IP Protocol	September 2016	
10 Update on Whistleblowing Code and Officer Code of Conduct	March 2016	
11 Officer Code of Conduct	September 2016	