

MIDDLESBROUGH COUNCIL

AGENDA ITEM 5

COMMITTEE REPORT

CORPORATE AFFAIRS COMMITTEE

22 JUNE 2012

STANDARDS COMMITTEE ROLE AND TERMS

RICHARD LONG, DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES

PURPOSE OF THE REPORT

- 1 To consider and agree the revised arrangements for the Standards Committee which will come into effect on 1 July 2012

BACKGROUND

2. On 15 November 2011, the Localism Act gained Royal Assent. Amongst other provisions the Act introduces a number of significant changes to the current Standards regime. Briefly, the main provisions are as follows:
 - The Act abolished both Standards for England (the 'Standards Board') and the current Code of Conduct.
 - The Act imposes on the Council a duty to promote and maintain high standards of conduct, by adopting an appropriate code of conduct relating to the conduct expected of Members and co-opted members. The new local Code of Conduct must be based on the seven principles of public life as set down in the Act.
 - The Act abolishes the notion of 'personal' and 'prejudicial' interests, and instead reverts to disclosable 'pecuniary interests' and 'interests other than pecuniary interests'. In general, the failure to declare a pecuniary interest, or the provision of false or misleading information, will be a criminal offence, which can lead to a fine of up to £5,000 and disqualification from holding office with the Council for up to five years.
 - There remains a requirement for the Council to maintain a register of interests, and Members must declare their disclosable pecuniary interests within 28 days of taking office, re-election, or the interest becoming relevant to a meeting they are attending.
- 3 Under the previous legislation the Council was required to appoint independent persons to chair the Standards Committee and the various sub-committees that dealt with breaches of the Code of Conduct. The Localism Act does not allow

independent chairs of Standards Committees, or independent members with voting rights.

- 4 The previous legislation also required that the Council's Standards Committee acted as the Standards Committee for the Parish Councils. This requirement appears to have been abolished.
- 5 Finally, in respect of Standards Committees, the previous legislation waived the general requirement under s15 of the Local Government and Housing Act 1989 that committees of the Council are politically balanced.
- 6 In light of the above, it is necessary for the Council to review its current structures and procedures for meeting the new requirements as required by the Localism Act.
- 7 Draft revised Terms of Reference for the Standards Committee are attached at Appendix 1 for Members' consideration. These are largely based on the existing Terms of Reference, but amended in light of the new legislation.
- 8 At the Annual Meeting of the Council held on 16 May 2012, the membership of the Standards Committee was agreed up to 1 July 2012 when the new arrangements come into force.
- 9 It is recommended that as from 1 July the Standards Committee be constituted as follows:

9 Members
(if required) 2 Parish Councillor places, one representative from each Parish Council
- 10 Under the previous legislation, all complaints received by the Council that related to the conduct of Members had to be remitted to the Standards (Initial Assessment) Sub-Committee for consideration. The new legislation requires, instead, that when the Council receives a complaint relating to the conduct of a Member, the first stage is for the Monitoring Officer and the Independent Person (a new requirement) to consider whether an investigation should be undertaken. In those cases where an investigation is carried out, the complaint and the investigator's report will be considered by a hearings sub-committee.
- 11 Consequently, there will still be a requirement for a Hearings Sub-Committee to consider, following investigation, complaints relating to the revised Code of Conduct as agreed by Council on 16 May 2012. It is therefore recommended that a Standards (Hearings) Sub-Committee comprising five Members of the Standards Committee, serving on a rota basis, is established for hearing and dealing with complaints.
- 12 Draft revised Terms of Reference and Procedures for the Standards (Hearings) Sub-Committee are attached at Appendix 2 for Members' consideration. Also attached at Appendix 2 are the proposed draft procedures for handling Code of Conduct complaints.

- 13 The revised role of the Standards Committee is far less than previous. It is therefore recommended that in future the Committee is scheduled to meet twice yearly.
- 14 The above proposals constitute a significant change in the duties and responsibilities of the Standards Committee, which at present has a remunerated independent Chair. In view of this it is recommended that the new arrangements are reported to the Council's Independent Panel on Members' Remuneration for its consideration.

RECOMMENDATIONS

- 15 It is recommended that Committee agrees:
 - i the new Terms of Reference for Standards Committee, as attached at Appendix 1.
 - ii that the Standards Committee will in future comprise nine elected Members (and two non-voting Parish Council representatives if required).
 - iii that a Standards (Hearings) Sub Committee, comprising five elected Members from the Standards Committee to sit on a rota basis, is established.
 - iv the new terms of reference for the Standards (Hearings) Sub-Committee at Appendix 2, along with the revised complaints procedures, are agreed.

and that these matters are remitted to Council for approval.

- v that the above matters are referred to the Council's Independent Panel on Members' Remuneration for its consideration.

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