THE LOCALISM BILL AND DEVELOPMENT OF A REPLACEMENT STANDARDS FRAMEWORK

1 SUMMARY

1.1 The report updates the Committee on progress to develop arrangements for a standards framework following the abolition of the current statutory Standards Regime, as proposed in the Localism Bill.

2 INTRODUCTION

- 2.1 The present Standards Regime is viewed by the Government as contrary to the principles of localism and its abolition is intended to provide Local Authorities with the power to put in place their own arrangements to maintain high standards of conduct.
- 2.2 The Committee at its last meeting on 7 April 2011 considered the implications of the Bill and its recommendation that a local code of conduct together with procedures for dealing with complaints be developed was agreed by Council (Minute 120/11 refers).

3 SUMMARY OF PROPOSED CHANGES

- 3.1 The Localism Bill abolishes the current standards regime, seeks to clarify the law on predetermination, and introduces a new statutory requirement to register and declare certain personal interests. This statutory requirement is reinforced by a new criminal offence for deliberate failure to declare interests for personal or financial gain.
- 3.2 Authorities will be free to choose whether to adopt a code of conduct, have a Standards Committee and operate a system of regulation. The Authority's powers to deal with transgressions, however, will be reduced and the power to suspend a Member from office for a breach of the code has been removed. Notwithstanding this, there remains a legal obligation to maintain high standards of conduct.
- 3.3 The Bill is currently at its second reading and it is anticipated that it will receive Royal assent in late 2011, with implementation on a fixed date, which is likely to be 2 months after the Bill is enacted. Until such time, the current statutory standards regime remains, and Standards Committees and Monitoring Officers are obliged to ensure the system continues to operate.

4 DEVELOPMENT OF REPLACEMENT STANDARDS FRAMEWORK

4.1 A project has been initiated by the Public Law Partnership, which comprises Authorities from Essex, Suffolk and Hertfordshire, to design a replacement framework to take over once the current arrangements are abolished. It is hoped that this will enable a consistent approach across Essex Authorities and Partnership members and will achieve savings through the development of common precedents, procedures and practices, and allow for sharing of work, for example investigation of complaints and joint training.

- 4.2 The proposed new framework comprises three core components:
 - a) A Code of Conduct.
 - b) A system of regulation and enforcement allowing for efficient procedures to deal with complaints and any subsequent appeals.
 - c) Model Terms of Reference for the Standards Committee.
- 4.3 Work has commenced on the production of a draft set of documents with the aim of simplifying the current procedures and making the regulation of the system more straightforward. The draft documentation will be subject to extensive consultation and it is expected to be available in autumn for initial consideration and discussion.

5 **RISK IMPLICATIONS**

5.1 There is reputational risk to the Council if adequate arrangements are not in place to maintain standards of conduct and deal with complaints and allegations of impropriety.

6 LEGAL IMPLICATIONS

6.1 The Council is under a legal obligation to meet the requirements of the Localism Bill, once the Bill becomes law.

7 PARISH IMPLICATIONS

7.1 The Council will no longer be responsible for ethical governance of Parish and Town Councils.

8 ALTERNATIVE OPTIONS CONSIDERED

8.1 The Council is not obliged to have any particular standards regime in place and can instead choose to rely on common and criminal law provisions, although this is unlikely to provide the same degree of public confidence and transparency as afforded by a clear and effective standards regime.

9 **RECOMMENDATION**

9.1 It is proposed that the Committee **RECOMMENDS** to Council that it participates in the joint partnership project to develop a model framework.

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Background Papers:-

None

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