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Committee on Standards in Public Life

12 March 2014

Dear Patrick and Jonathan

I write as Chair of the Committee on Standards in Public Life in response to the post by Alan Doig on your website dated 10 March, arguing that my Committee has been ineffective in safeguarding ethical standards across local government.

The Committee on Standards in Public Life (CSPL) is an independent advisory body, which monitors, reports and make recommendations to the Prime Minister on all issues relating to standards in public life. The Committee promotes high ethical standards in public life and works to ensure that the seven principles of Public Life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership – underpin all aspects of public life. In doing so the Committee's objective is to develop evidence based practical recommendations. The CSPL's remit was expanded in 2013 to encompass all those involved in the delivery of public services and not solely those appointed or elected to public office.

As you know, the Committee has a long-standing interest in local government standards. The Committee's Third Report, in 1997, examined *Standards of conduct in local government in England, Scotland and Wales* and local government standards were one of three areas considered by the Tenth Report, *Getting the balance right: Implementing Standards of Conduct in Public Life*, in 2005. An inquiry into accountability and openness in Local and London Government was started in 2008, but was, as Mr Doig refers, suspended in 2009 when it became urgently necessary to review MPs' expenses. I do not doubt that was the right decision at that time. Public Confidence in MPs was severely damaged by the expenses scandal in 2009 as our public perceptions surveys demonstrate. All three political parties accepted the Committee's recommendations within 24 hours and changes were made to the remit of the newly established Independent Parliamentary Standards Authority which has led to a more robust but fair regime now overseeing MPs' expenses, pay and pensions.

During the passage of the Localism Bill (now the Localism Act 2011) the Committee voiced concerns at a number of points and contributed to the Government's consultation on the proposed changes, emphasising the need for a mandatory code of conduct and effective independent persons. A letter from the then Chair of the Committee to the Secretary of State for Communities and Local Government reiterated concerns about the new regime shortly before it came into effect. The Committee also wrote to all local authorities in England to ask about their preparations for the new

regime, 77% of respondents had not yet appointed an 'independent person' and the Committee made a public statement based on the responses it received warning about possible problems.

Standards in local government 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* which we published in January 2013. We reiterated our concerns then about the lack of sanctions. As you know apart from criminal prosecution, the only sanctions against now available to a local authority are censure or suspension from a particular committee or committees. We also repeated our view that there is insufficient independent involvement and emphasised the need for strong local leadership. However the Committee recognised the need to allow the new arrangements to properly bed down before properly assessing the effectiveness of the new system and whether it is delivering its stated objectives.

In the meantime, more generally, we have provided evidence to the Communities and Local Government Select Committee inquiry on local government procurement, highlighting our belief that public sector procurement processes should take account of ethical issues as part of delivering value for money in the broadest sense.

Our current work plan also includes two pieces of work aimed across public sector organisations including local government:

- **Reinforcing high ethical standards in practice** will be concentrating on how ethics can be included in internal processes such as induction and professional development in public sector organisations, including elected representatives. It will identify what works and capture best practice.
- **Ethical standards of third party providers of public services** will consider the ethical principles and standards that the public and commissioners of services have of those delivering public services and the necessary safeguards to ensure those principles and standards are met. This is directly relevant to local government who spends over a quarter of its annual expenditure on procuring goods and services from third party providers.

As a small organisation, it remains necessary for the Committee to prioritise and focus its resources but we remain alert to the need for continuing scrutiny of local government standards. The recent survey carried out by 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 and we are aware that there have been individual cases that illustrate this. We continue to engage with interested parties and academics in this field and if Democratic Audit has any further evidence that can assist our monitoring of local government standards then we would be very grateful to receive it.

Yours,

Lord Paul Bew

Chair