

UNCLASSIFIED

Annual Plan 2014-15

Committee on Standards
In Public Life

April 2014

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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.

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FOREWORD

This is the CSPL's second annual plan, following the publication in October 2012 of our Strategic Plan for 2012-15.¹ 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

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April 2014

¹ <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.”²

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.”³

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.”⁴

² Hansard (HC) 25 October 1994, col. 758

³ Hansard (HC) 12 November 1997, col. 899

⁴ 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 March⁵ 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

⁵ *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*⁶ 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 Office⁷ 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.

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

⁷ 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.