**PRESS NOTICE**

**Committee on Standards in Public Life**

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**Chair:**

**15 September 2016**

**COMMITTEE ON STANDARDS IN PUBLIC LIFE PUBLISHES ETHICS ‘HEALTH CHECK’ FOR REGULATORS**

Under a third of regulators surveyed for a new [report](https://www.gov.uk/government/publications/striking-the-balance-upholding-the-7-principles-in-regulation) by the Committee on Standards in Public Life had policies in place to deal with revolving door issues

Publishing its ‘health check’ of how a range of regulatory bodies live up to the seven principles of public life, Lord (Paul) Bew, Chair of the Committee said:

“Regulators play a distinctive and powerful role in public life. The integrity, objectivity and other ethical standards of a regulatory body are a vital part of its overall effectiveness. Regulation is all about striking the balance: between engagement and capture, transparency and necessary confidentiality and between independence – both from government and those they regulate – and accountability.

“The evidence we collected shows that in broad terms regulatory bodies are committed to maintaining high standards of conduct, but there have been instances which are out of step with the standards expected. We believe regulatory bodies can do more to maintain integrity through processes to mitigate the risks arising from the ‘revolving door’, regulatory capture and other challenges to their independence.

“Of those surveyed, under a third had policies in place to deal with the revolving door issues - both into and out of the regulatory body. Movement of staff between the sector and the regulator is inevitable and can be beneficial on both sides. In order to ensure moves are conducted with integrity, regulators need proactive and transparent policies to handle these ethical risks properly and proportionately.

“ By sharing what the best are already doing, we hope this report will help regulatory bodies to consider how they can avoid undue influence and demonstrate that the decisions they take are fair, well-reasoned and evidence based. We have also made recommendations to the government, in particular around ensuring appointments to regulatory bodies follow robust, fair and open processes to secure the best people to lead independent regulators.

“Post-Brexit, the UK regulatory landscape is about to undergo a seismic shift and there will be renewed focus on how services and industries are regulated. Maintaining high ethical standards will be key to retaining public confidence through those wider changes and I hope that our report will be a useful guide both for regulators and those holding them to account.”

The recommendations for regulators and government include:

* Regular evidence based assurance of ethical standards to the Board
* Proactive corporate governance arrangements to manage conflicts of interest
* Annual compliance certification for ethical standards by accounting officers
* Up to date, publicly accessible registers of meetings, hospitality, gifts and interests
* Code of conduct to cover all personnel including contractors, consultants, non-executives, and secondees.
* Standards expressed the Code evident in recruitment, appraisal, induction and training
* Policies and procedures and safeguards in place to manage ‘revolving door’ at all levels of organisation including prohibitions on the disclosure of sensitive information
* Post-employment arrangements for Board members of regulatory bodies should be brought into line with those for Ministers and senior servants, with transparency about appointments and restrictions.
* Any conflicts of interest established and actively managed at the start of any selection process for Board members
* Ministerial guidance to regulatory bodies should be published online. It should be considered but not treated as binding unless there are statutory provisions for guidance.
* Ministerial appointments to regulatory bodies should be timely, transparent, on merit and with proper regard to the needs of the organisation
* Ministers should not be involved in the hiring or firing of Chief Executives or other operational staff unless this is expressly laid down by statute.
* Regulatory bodies should ensure staff are clearly aware of conflicts of interest and explicitly advised about the risks of bias in decision making
* Regulators should publish full and accessible information on their sources of funding and specifically, any restrictions proposed by those who provide their funding.
* Regulatory bodies not covered by the Freedom of Information Act should have a publication scheme in line with best practice established by the Information Commissioner’s Office
* The Regulator’s Code should be amended to include promotion of an ethical approach to compliance.

The full report [‘Striking the Balance – upholding the seven principles of public Life in Regulation’](https://www.gov.uk/government/publications/striking-the-balance-upholding-the-7-principles-in-regulation) can be downloaded here.

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**Notes to Editors**

1. **Interview requests and media enquiries should go to Maggie O’Boyle on 07880 740627.**
2. More information about the work of the Committee is available on its website: [**https://www.gov.uk/government/organisations/the-committee-on-standards-in-public-life**](https://www.gov.uk/government/organisations/the-committee-on-standards-in-public-life)
3. In the course of the review, the Committee issued a survey to over 70 regulators; held 3 stakeholder seminars, interviewed 26 regulators and commissioned 4 academic papers.
4. The Committee on Standards in Public Life advises the Prime Minister on ethical standards across the whole of public life in the UK. It monitors and reports on issues relating to the standards of conduct of all public office holders.
5. The current members of the Committee are: Lord (Paul) Bew, Chairman, Rt Hon Dame Margaret Beckett DBE MP, Sheila Drew Smith OBE, Jane Ramsey, Monisha Shah, Richard Thomas CBE and Dame Angela Watkinson DBE MP.