

**Submission to public
consultation on
Local Public Accounts
Committees**

March 2018

Committee on
Standards in
Public Life

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.

Summary

1. The Committee welcomes the Centre for Public Scrutiny's proposal for Public Accounts Committees.
2. The Committee suggests that such bodies should be given a broad remit; should be founded in statute but owned by local government; have similar powers to a Parliamentary Select Committee; and would need to be strategic and selective in choosing areas to review.

About the Committee on Standards in Public Life

3. The Committee on Standards in Public Life is an independent non-departmental body that advises the Prime Minister on standards issues across public life. It was established in 1995. The Committee is made up of an independent Chair, currently Lord Bew, four independent members, and three political members nominated by the Labour, Conservative and Liberal Democrat parties.

Response to consultation

4. The Seven Principles of Public Life include the principles of accountability and openness:
 - 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.
5. The Committee welcomes the proposal for local Public Accounts Committees as a means of promoting accountability and openness in local government.
6. In line with the proposal in the consultation paper, we agree that if local Public Accounts Committees were to be established, they should be given a relatively broad remit, not only to examine specific accounts but to consider the broader context of how money is spent by local authorities.
7. Local Public Accounts Committees would undertake scrutiny and accountability themselves, but they would also create the conditions for accountability by others. In particular, such Committees could play a helpful role in delineating responsibility for different areas of spending in what is a complex environment.
8. As the consultation paper notes, a local Public Accounts Committee would need genuine and substantial powers. By use of its formal powers, it could promote openness by bringing decisions and processes to light; but it could also informally encourage decision makers to make relevant information available without use of those powers. Even if in practice the Public Accounts Committees worked on the basis of informal influence, this would not negate the need to have some formal powers in place. This would suggest the model of a Parliamentary Select Committee as a starting point. Any additional powers, such as those to 'enter and view', would need to be used proportionately.

9. The Committee proposes that, on this basis, local Public Accounts Committees should be founded in statute and assured independence, but ultimately owned by local government itself, in order to have the right balance of powers and accountability.
10. The consultation paper outlines an aspiration for local Public Accounts Committees to undertake significant analysis, particularly of 'big data'. The Committee would caution that undertaking such substantial activities may not allow the organisation to be 'nimble' and address strategic areas arising in a short time frame. The Parliamentary Public Accounts Committee is significantly resourced, with a thirty-strong staff, but is still highly strategic and selective in its selection of areas to analyse and review.



Annex A: About the Committee

The Committee on Standards in Public Life monitors, reports and makes recommendations on all issues relating to standards in public life.

Our remit

On 25 October 1994, the then Prime Minister, the Rt. Hon. John Major, announced the establishment 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'.¹

On 12 November 1997, the Committee's terms of reference were extended by the then Prime Minister, the Rt. Hon. Tony Blair:

'To review issues in relation to the funding of political parties, and to make recommendations as to any changes in present arrangements'.²

On 5 February 2013, the Minister for the Cabinet Office clarified the Committee's terms of reference 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.'³

The current members of the Committee are: Lord (Paul) Bew, Chairman, Rt Hon Dame Margaret Beckett DBE MP (Labour), Simon Hart MP (Conservative), Dr Jane Martin CBE, Dame Shirley Pearce DBE, Jane Ramsey, Monisha Shah and Rt Hon Lord (Andrew) Stunell OBE (Liberal Democrat).

¹ Hansard (HC) 25 October 1994, col 758

² Hansard (HC) 12 November 1997, col 899

³ Hansard (HC) 5 February 2013, col 7WS

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