

# open

annual review 2002/03

# confide

only fair, open and

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honest local democracy will win the **confidence** of the public

our **aim** is to develop trust in the integrity of local government by promoting consistently high standards

# who we are what we do

The Standards Board for England was set up by Parliament in 2001, but operates independently of central Government. Our role is as a regulator with responsibility for overseeing the Code of Conduct, which was created under the *Local Government Act 2000*. We have a Board of nine members, appointed by the Secretary of State for their mix of experience and skills. To find out more about our Board Members, please go to page 18.

We work in partnership with local government to help members meet the high standards of conduct set out in the Code of Conduct. To do this as effectively as possible, we take a two-pronged approach. We refer allegations of misconduct to Ethical Standards Officers, who are operationally independent of The Standards Board for England. We also actively promote and explain the Code of Conduct and the work of The Standards Board for England.

# who we cover



The Code of Conduct applies to over 100,000 elected, co-opted and independent members of:

- 386 local authorities
- over 8,000 parish councils
- seven National Park authorities
- the Broads Authority
- 31 fire and civil defence authorities
- 44 police authorities
- six passenger transport authorities
- the Greater London Authority
- the Council of the Isles of Scilly
- the Common Council of the City of London

## from the Chair

Last year The Standards Board for England achieved a great deal – we have now built the solid foundations and structure of an organisation that can deal effectively with a complex and varied workload. Awareness of our work has expanded faster than we expected and we also made very good progress in gaining the understanding and trust of our stakeholders.

# highlights of the year

- almost 3,000 allegations were received
- we refined and streamlined our referral process
- investigations of nearly 450 cases were completed
- we reached many members with roadshows, exhibitions and presentations
- our updated website, launched in November, now attracts over 11,000 visitors a month

**The Code of Conduct applies to over 100,000 members** – the vast majority have the best interests of the people they serve at heart. However, it only takes a small number of ill-considered actions to damage the reputation of local democracy as a whole.

**Our job is to ensure that those responsible for such actions are called to account.** The number and range of allegations we received last year shows how essential this work is. Investigations at all levels of local democracy have revealed some highly questionable behaviour. We expected this – what was unexpected was the speed at which the volume of allegations reached its current level.

**We are committed to applying the Code effectively**, and have responded quickly to the increase in our workload, streamlining processes and putting new staff in place to ensure that we can deal with allegations in a timely manner, while being as thorough as work which affects reputations needs to be.

**Gaining support is key to our success.**

Regulators have a reputation of being distant enforcers and, as a new regulator, we were not surprised to encounter some initial resistance to our role. We are pleased to say that by taking a proactive approach, going out and talking to those who care about local democracy and listening to their views, we have succeeded in getting their opinion behind our work. This extends to the way we deal with criticisms of the Code of Conduct and The Standards Board for England in the press, as we now rebut unjustified comment and errors that may create confusion about the Board's role, allowing us to concentrate on our key responsibilities.

**Our team has worked wonders**

and I would like to thank them for showing their dedication over the past year. I would also like to acknowledge the breadth of skills and experience of our Board and thank everyone for an invaluable contribution.

**Looking forward, we will keep developing** –

we don't know all the answers yet, but an intelligent organisation is one that listens, learns and responds. As our experience grows, we will be looking at wider issues of corporate governance, helping authorities to share best practice and carrying out more research into the needs of our stakeholders. The long awaited Section 66 regulations are also now almost with us. By allowing local determination and investigation, they will help us ensure that every case is dealt with at an appropriate level.

**The Standards Board for England believes** that by taking our responsibilities seriously, we will have a direct and positive impact on the behaviour of members and look forward to seeing public trust and confidence in local democracy grow over the coming years.



**Sir Anthony Holland, Chair**  
The Standards Board for England

# serious

the number and range of **allegations** we receive  
shows what a **serious** business this is



**Local government is accountable to the people it serves.** To fulfil this responsibility, it needs to operate fairly and ethically at all times – and in the majority of cases it does. However, no organisation is infallible and each failure diminishes public confidence. The Standards Board for England has been charged with getting to the heart of local democracy and putting this right. Promoting high standards and building trust is a serious job – one that we are committed to doing well.

**A rising number of allegations** We always expected that we would be busy, but we did not expect the number of allegations to build up so quickly. In April 2002 we received 35 allegations; this number rose dramatically to a peak of 423 last October and stabilised at around 300 over each of the three months from January 2003 to March 2003. We have now received almost 3,000 allegations since we were established. It's too early to determine trends, but this response demonstrates how rapidly awareness of The Standards Board for England and Code of Conduct has spread and the issues raised by allegations underline the very real need for our service.

**A range of issues** We have looked at a wide range of issues and the allegations that we referred for investigation have been varied. Common breaches of the Code included bringing the authority into disrepute, disrespect, bullying and misuse of confidential information. A large number involved planning matters where a member did not declare a personal or prejudicial interest in a matter being discussed. Over 20% of investigations concerned parish councillors not completing the register of interests. This is a short-term issue that we expect to decrease significantly following local elections in May 2003. Overleaf we show how our caseload was made up by 31 March 2003.

For more information about how we decide which allegations to investigate, see page 11.

**More about allegations** 43% of allegations came from members, 15% were from other authority employees and 42% were from sources which mostly included members of the public. Over 50% of allegations over the past year were about parish councillors. This proportion appears high, but is mainly because parish councillors are over 80% of all members.

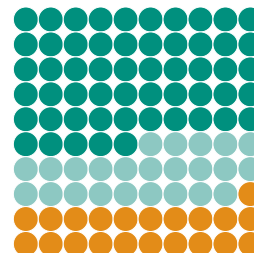
2,948  
allegations received

SOURCE OF ALLEGATIONS



- 15% authority employee
- 43% fellow councillor
- 42% other (includes members of the public)

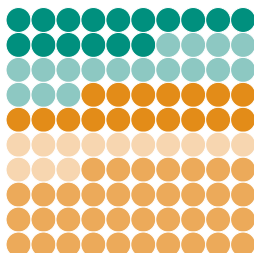
TYPE OF MEMBER ALLEGATIONS CONCERN



- 55% parish/town council member
- 24% district council member
- 21% other (includes members of county councils, unitary councils, London boroughs, metropolitan boroughs and other authorities)

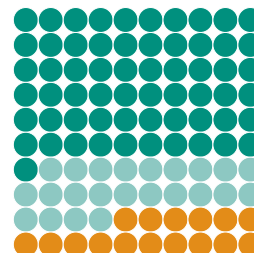
serious cases

NATURE OF ALLEGATIONS REFERRED FOR INVESTIGATION



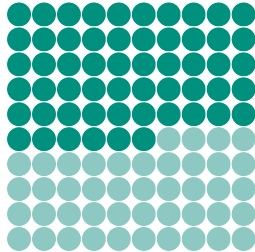
- 16% bringing authority into disrepute
- 17% failure to register financial interests
- 17% failure to register other interests
- 13% failure to treat others with respect
- 37% other

TYPE OF MEMBER INVESTIGATIONS CONCERN



- 61% parish/town council member
- 23% district council member
- 16% other (includes members of county councils, unitary councils, London boroughs, metropolitan boroughs and other authorities)

**PERCENTAGE OF ALLEGATIONS REFERRED FOR INVESTIGATION**



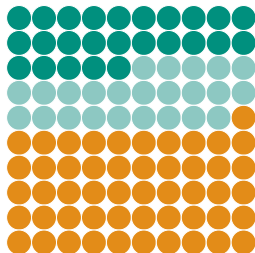
56% not referred  
44% referred

**What have we done with the allegations we have received?** Over the past 12 months, 44% (1,142) of the allegations that we considered have been referred for investigation to an Ethical Standards Officer. Of these, 108 have been passed to The Adjudication Panel for England – an independent tribunal with powers to impose sanction. These sanctions can include suspending a member for up to a year, or disqualifying him or her from being a member for up to five years. At the end of March 2003, 76 of these cases were still awaiting a hearing and 32 had been heard. It is clear from our experience so far that members who choose not to register their interests can expect to be disqualified.

On our website, there are summaries of all the cases that have been concluded. We believe that this is an important way to help people understand and take on board the Code, as they provide an insight into the decisions that are made by the Ethical Standards Officers. Inspiring confidence means being open as well as promoting trust, so the case summaries also provide the name of the member against whom allegations have been made. This serves either to clear their name or, where appropriate, to ensure that justice is seen to be done.

It is still too early to see the long-term impact that our work will have on standards of conduct, but we have good reason to believe that our efforts are already bearing fruit and that local democracy will reap these benefits as the influence of the Code grows.

**COMPLETED CASES BY FINAL FINDINGS**



25% no evidence of a breach of the Code  
24% referred to The Adjudication Panel for England  
51% no further action

# effective

to be **effective** we adopt a **light touch**  
– but we are never a soft touch

**The Standards Board for England's maxim is to be scrupulously fair** – ensuring that investigations are thorough, proportionate and timely. To help us measure how successfully we do this, we have set targets for achievement. At the same time we will continue to reinforce our team and review our processes, which will enable us to lay the best possible foundations for our work over the coming years.

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**The key to success** Acceptance and understanding of the Code of Conduct amongst the local government community is fundamental to our success. Through effective communication, liaison and a culture of partnership, we have been helping the authorities that we cover to recognise its importance. To find out more about how we are doing this, see page 15.

**A thorough process** A key measure of our effectiveness is our ability to deal promptly, but meticulously, with breaches of the Code. Everyone who is investigated holds a public position and has a reputation to maintain. We need to ensure that this is respected, whilst not compromising on our thoroughness. To accommodate this, we have put strict processes in place, covering receipt of an allegation, through to the end of an investigation. Each step is reviewed regularly to check that it is meeting the needs of everyone concerned. Similarly, by retaining a degree of flexibility, we are able to respond promptly to developing legal interpretation of the Code.

**Establishing which issues to investigate** Every time we are asked to investigate we take our responsibility seriously – indeed, during our first year we referred almost every allegation that was within our jurisdiction. This was an essential part of developing a broad understanding of the environment in which we are working. As we have learnt from experience, we have refined our approach. Each allegation now goes through a simple check that it is within our jurisdiction. The Board then decides which cases are important enough to be investigated. The overall result is a process that aims to eliminate any minor, vague or simply vexatious allegations before referral.

**44%**  
of allegations  
considered were referred  
for investigation

# effective approach

“ Thank you for all your hard work... It was a pleasure to meet you as I was expecting the ‘Spanish Inquisition’ but was pleasantly surprised. Whichever way it goes I have no complaints.”

Member, February 2003

**Deciding what to refer** Many of the cases rejected by the Board were more to do with instances of robust political debate than genuine misconduct. This kind of debate is a normal and important part of the democratic process, which we certainly do not want to discourage. The changes in the way the Board approaches referrals mean that it now takes into account whether an allegation simply contains evidence of political point scoring, name-calling or inappropriate or rude language. In all cases the Board considers whether it is in the public's best interest for the allegation to be investigated.

**Communicating with those involved** Our notification process has also been improved. When we receive an allegation we acknowledge receipt of that allegation. Once the Board has considered the allegation, we write again to the person who has made the allegation, and also to the member against whom the allegation has been made and the monitoring officer of the relevant authority (and the parish clerk, where appropriate), letting them know whether the allegation is being referred for investigation or not. At the end of an investigation, everyone on this list also receives a copy of the draft report written by the Ethical Standards Officer, so that they can comment before the final recommendation is made.

**Timely conclusions** Each case is different and so the time it takes to resolve can vary. It is obviously important to act as quickly as possible but, whilst we work consistently towards our targets, we need to make sure that every relevant detail has been considered.

We have learnt a lot and we want to keep on learning, because we believe that is an essential part of achieving our goal – being a regulator that makes a real difference. Our processes will continue to evolve as we gain experience and, by measuring how we are doing against our demanding targets, we will improve our effectiveness year on year.

# accessible

being **accessible** means being out and about  
working with people – **talking, listening and learning**



**We do much more than just enforce legislation.** Our experience over the past year has shown that by visiting and talking to members, giving formal guidance and responding to enquiries, we can have a positive effect on how the Code is viewed and implemented – and on its success. We also know that to move forward, we need to keep listening to the people we deal with and learning from their views. We are in regular contact with a number of representative bodies from the local government community and are building dialogues and establishing strong relationships with every one of them.



**Roadshows, exhibitions and presentations** These events have raised overall awareness of both the Code and the Board, and have established us as an approachable and outgoing organisation. They have also helped members to develop an understanding of who we are and what we do. Overall, feedback has been very positive – people have been pleased to see the human face of the Board and we have succeeded in exploding some of the myths that had built up about the Code. We have heard first-hand views and gained valuable information to help us make improvements to how we do things.

Our roadshow programme was targeted at specific audiences, such as monitoring officers and parish councillors – we staged 26 events in nine regions and reached many members all over the country. As part of our aim to become part of the local government community, we have also had stands at national exhibitions, which were attended by our key stakeholders. At a more targeted level, we visited County Associations and other regional and local government organisations and gave presentations and answered questions, where we were able to focus on more localised issues.

**Understanding our stakeholders** Regular and wide-ranging research is an essential part of our learning curve and helps us to be in tune with changing views and opinions. Last year, we began the process of commissioning research to help us understand the needs of our stakeholders. We are also developing research links with other related bodies such as the Office of the Deputy Prime Minister and the Audit Commission. The scope of our research has expanded as our organisation has grown and we have taken on board a whole range of stakeholder opinions.

our website attracts  
**11,000**  
 visitors a month



The Standards Board for England would like to take this opportunity to thank all the local authorities who assisted in hosting our series of roadshows throughout 2002/03:

# accessible events

- Durham City Council
- Ipswich Borough Council
- Lancaster City Council
- Leeds City Council
- Nottinghamshire County Council
- Royal Borough of Kensington and Chelsea
- Taunton Deane Borough Council
- Warwick District Council

Thanks also go to those who gave of their time and experience by speaking at our roadshows, and, of course, to all those who attended each event. We appreciate your continued support.

**A growing online presence** Anyone can find out what we do and download guidance about the Code online. We launched our updated website in November and it now attracts over 11,000 visitors a month. As we develop, we will keep reviewing the content and functionality of the whole site to help us communicate with our growing audience.

**Targeted communications** We have produced a range of communications to meet the needs of our different audiences. An important part of our strategy is to make sure people understand the Code by presenting it in a straightforward way. To help us do this, we established a reference group of local government practitioners, which feeds a consistent cross section of opinion into draft guidance documents. Other important communications include our Bulletin, which gives monitoring officers and others the latest news, a video introducing The Standards Board for England and Code of Conduct and an information pack for the public, which was distributed at places like Citizens Advice Bureaux and MPs' surgeries. We also produced simple guidance for members to help them understand the new system for declaring interests.

**Dealing with questions effectively and clearly** We answer enquiries by phone, letter, e-mail and face to face at presentations, exhibitions and roadshows. We also offer legal help over the telephone for monitoring officers. We dealt with over 1,000 enquiries last year about a wide range of issues. As members and authorities understand more about our work, the focus of enquiries has changed from general questions about The Standards Board for England to detailed queries about specific areas of the Code.

**An approachable Board** Our Board play an active role in our work. They continue to be accessible and involved, and they are contactable directly by e-mail, via our website.

Because we work so closely with others, we hear new views every day and respond to what we learn. Sometimes this means changing the way that we do things, so that we can do them better in the future. As we talk to more and more stakeholders, we will keep our minds open and our responses intelligent.

## the board

Our Board has a unique mix of skills, bringing together experience from local government and from the legal, academic and financial professions. This breadth of knowledge is invaluable in helping them to rise to the challenges of our complex and sensitive work.



**SIR ANTHONY HOLLAND CHAIR** Our Chair's commitment, fairness and balance, along with his background in law and a practical approach to resolving disputes, reflect the core values of The Standards Board for England. Admitted with honours as a Solicitor to the Supreme Court in 1962, Tony's career has taken in many noteworthy positions including President of The Law Society from 1990-1991, Chair of the BBC South Western Regional Advisory Council 1984-1987, Chairman of the Executive Board of JUSTICE from 1996-1999 and membership of the Council of The Howard League for Penal Reform from 1992-2002. He was a first instance Chairman of the Securities and Futures Authority from 1993-2001 and Principal Ombudsman to the Personal Investment Authority Ombudsman Bureau from 1997-2000. His most recent appointments are as Chair of the Northern Ireland Parades Commission, and to the Criminal Injuries Compensation Panel.

**PATRICIA HUGHES CBE DEPUTY CHAIR** With experience of working at a high level in local government and relevant legal expertise, Patricia offers important insight and knowledge into the council system. Awarded the CBE in 2001, for services to local government, Patricia worked as a secondary school teacher before qualifying as a Solicitor in 1978 and went on to hold legal posts in the Inner London Education Authority and the London Borough of Lambeth. She was Chief Executive of the London Borough of Sutton from 1990-2001, Deputy Chief Executive and Borough Solicitor to the London Borough of Islington from 1987-1990 and a member of the Board of the National Disability Council from 1998-2000.

**JOHN BOWERS QC** Expertise in employment law and human rights and extensive experience of mediation make John a valued member of our Board. Practising from Littleton Chambers, Inner Temple, John is an expert in a relevant range of legal issues. He has published books on whistle-blowing, human rights and employment law and is the author of *Bowers on Employment Law*. He has lectured on human rights for the Judicial Studies Board.

An accredited Centre for Dispute Resolution mediator, he co-ordinates the Workplace Mediation Services project. A former Chair of the Employment Law Bar Association, he is a Recorder on the Midlands Circuit and a member of the Bar Disciplinary Tribunal.

**CELIA CAMERON CBE** A notable and long-standing career within local government gives Celia a thorough knowledge of the issues faced by councillors and local authorities. Leader of the Labour Group on Norfolk County Council since 1990, Celia has been a county councillor for 20 years and was a member of her local health authority for eight years. She was Leader of Norfolk County Council from 1993-2001. Her wider interests include the environment and sustainability – she is a member of the Local Government Association (LGA) Environment and Regeneration Executive and is Chair of the Local Sustainability Advisory Board. She also has a background in the Women's Aid Movement.

**left to right:**

Tony Holland  
 Patricia Hughes  
 John Bowers  
 Celia Cameron  
 Peter Chalke  
 Alan Doig  
 Margaret Pratt  
 Paul Sabapathy  
 Roger Taylor



**PETER CHALKE CBE** With experience of the commercial, political, educational and local authority environments, Peter brings a wide span of knowledge and expertise to bear in his contribution to our work. Currently Leader of Wiltshire County Council, Peter has been a county councillor since 1982 and Leader of the Conservative Group in Wiltshire since 1986. He is also a Deputy Leader of the Local Government Association (LGA) Conservative Group and the LGA Conservative Education Spokesman. He is a Board Member of the South West Regional Development Agency and Wiltshire and Swindon Learning and Skills Council.

**PROFESSOR ALAN DOIG** Alan's academic and professional career reflects many of the core ethical issues that the Board has to deal with on a regular basis. Professor of Public Services Management and Head of the Fraud Management Studies Unit at Teesside Business School, University of Teesside, Alan is also the author of numerous publications on the very relevant subjects of ethics, conflict of interest, fraud and corruption. He has worked with a number of bodies involved with ethics and public office, both in the UK and overseas, including the Council of Europe.

**MARGARET PRATT** A background that includes regulation of professional conduct and management consultancy at all levels of government is a key factor in helping us to achieve our aims of fairness and thoroughness. A past President of the Chartered Institute of Public Finance and Accountancy (CIPFA), Margaret sits on the Audit Committee of University College, Northampton and is a Governor of CIPFA's Education and Training Centre. In the past, she has been involved with developing self-regulation in the accountancy profession. She has also worked as Director of Finance in Health Authorities and trusts and as a management consultant in local and central Government and district, metropolitan and county councils.

**PAUL SABAPATHY OBE** Experience of governance in a range of organisations, including serving as an independent member, gives Paul a valuable insight into the needs of some of our most important stakeholders. Currently Pro-Chancellor and Chairman of the University of Central England, Paul held senior management positions at the multinational engineering company IMI plc. Paul was Chief Executive of North Birmingham Community Trust

and currently serves as a Non-Executive Director of the National Blood Authority and North Birmingham Primary Care Trust. He was awarded the OBE in 1995 for his contribution to urban regeneration. He is a member of the Chartered Institute of Management Accountants and is a Trustee of New Walsall Art Gallery and the Refugee Council. He also serves as one of the two independent members of the Standards Committee of Birmingham City Council.

**ROGER TAYLOR** A balance of legal background and public sector expertise gives Roger the skills that support our everyday work. A Solicitor by training, Roger is currently Managing Director of Pinnacle Professional and Advisory Services Limited, and a Main Board Executive Director of the Pinnacle Public Services Group. His career encompasses senior positions within local government – including Chief Executive of Manchester City Council between 1984 and 1988 and Chief Executive of Birmingham City Council between 1988 and 1994. Following this, he joined public sector management consultants Newchurch and Company. He is an Honorary Fellow of the Institute of Local Government Studies.

If you would like to receive a copy of our full  
**Annual Report and Accounts 2002/03**  
please contact  
The Standards Board for England  
on 0845 078 8181  
or e-mail [enquiries@standardsboard.co.uk](mailto:enquiries@standardsboard.co.uk)

For more information on The Standards Board for England,  
please visit our website at [www.standardsboard.co.uk](http://www.standardsboard.co.uk)

clear





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