

APP 2

# State of the Nation

## Glenys Stacey, Chief Executive, Standards for England

Good morning everybody. I'm **very** pleased to be here again - it's tremendous to be able to talk with you about the important work you're doing.

Statistics, returns, case studies **all** become so much more real when you talk about them as actual experience with people who were there.

I want to begin by telling you what I think of you all.

I'm not talking about my own impressions, of course, but about the views we **have** formed as a strategic regulator.

Towards the end of last week we've published our Annual Review for 2008/9.

We've sent out copies to all of you - leaders, chief executives, standards committee chairs and monitoring officers, and it's also available on-line.

I'm excited about it - I think it's a real step forward for us and shows how we are determined to add value to the work you all do.

I'm sure you'll want to take the time to have a good read of the annual review. I think you'll find it a little more thought provoking than in previous years, and I'm sure it contains a few challenges for you.

You've been very diligent in sending us your quarterly returns and in completing your annual return. We're getting to a position where we're rich with data about the local framework and how it's operating.

And we're getting to grips with analysing that data, and forming views based upon it.

So throughout the **Annual Review** you'll find us referring to what we think about the local framework based on what you've told us. And through highlighting what we believe to be **notable practice** we're giving strong pointers about how we think you can learn from each other and continue to improve.

But we also make reference to things which concern us, things **we** need to think about and sometimes issues where we probably need to gather more information and views.

The review covers the period up to April 2009, I want to refer today to our key conclusions - conclusions which we feel hold true into the current year too.

So, first then a thank-you. Authorities have given **good commitment to their** duties to establish and operate a local standards framework. Independent chairs **and members of standards committees are tackling** their roles with enthusiasm and skill. Standards committees **are established and functioning across the country**.

And since the Code of Conduct is all about member **behaviour let's be clear** that standards of behaviour **among** members of English local authorities are **generally high**. **There are** relatively low numbers of

complaints overall – one for approximately every 25 members, on average each year - and a small number of these are found to be sufficiently serious to require the most severe sanctions– disqualification and suspension.

15 members were suspended or disqualified during 2008/9, in a further 10 cases members were suspended pending some action on their part – often writing an apology. Not bad for 80,000 local councillors dealing with those often emotive local issues.

Turning to local complaints handling - the number of complaints is broadly consistent with previous years when all were received by Standards for England. More than half come from members of the public, more than a third from members of the authority concerned

While half of all complaints are dismissed at initial assessment, significantly more than under the previous regime **are** being investigated. And two thirds of all those investigations are revealing no breach of the Code.

This is worrying me.

Back at the beginning when we handled all complaints we referred a lot more for investigation than we did by the time we'd had several years of practice, and it may be that local authorities are going through a similar learning curve.

But I hope not; you're not starting from scratch, the benefit of our experience is reflected in the guidance we have given.

And I have to say that, while any individual investigation can only conclude what the facts warrant, collectively, too high a proportion of full-blown investigations that conclude there is no case to answer does damage to the reputation of the framework.

Clearly **this** is an issue we will want to look at more closely during the coming year.

In a small number of authorities, taking on the role of standards overseer for their local parish and town councils has been onerous.

The medium-term solution to such issues is for principal authorities to become committed stakeholders with an interest in the good governance of the local councils in their area, working alongside county associations and others.

In the meanwhile we are advising a number of authorities on practical steps they can take to deal with difficult parishes.

We **continue** to hear some worrying stories of bullying of parish employees – an issue we are taking seriously. But we should remind ourselves that since the standards framework first came into existence 10 years ago **80 per cent** of parishes have never had a single complaint.

Something else for us to ponder on: while our research tells us there is considerable officer and member confidence in the Code of Conduct itself, and in the local standards framework's ability to uncover and deal with poor standards, the framework has made little impact on the public.

We **would** like to see more done to use the local framework as a tool to raise public trust in local democracy.

The sixth conclusion in the Annual Review is about proportionality. That is a big issue for us and I'll come back to it before I finish.

The annual review goes on to talk about the work we've been doing ourselves during 2008/9. A big focus for us has been reshaping ourselves to be better equipped as a strategic regulator.

But I'm sure you'll want to know 'What have Standards for England been doing for me?'

I'd like to answer that by reference some of the issues we discussed this time last year.

Do you recall this list? These were the key things you were worried about when we last met:

**Other action** - how to get the best out of it, when to use it – and when not to was a hot topic this time last year. We've continued to offer advice and in May this year issued specific guidance on other action. We're interested to know whether you're more comfortable with it now.

**Best practice** - You wanted to know what best practice was and how we were going to help you share it. Throughout the year we've been developing our approach. We've had the Standards and ethics award category in the Local Government Chronicle Awards which has allowed us showcase the achievements of shortlisted councils on our website. There's another award up for grabs this year. Congratulations to our winners Rossendale BC, by the way.

We've identified what we've called 'notable practice' through our annual returns and we have highlighted that online and in our Annual Review. And we've commissioned a piece of research to look for more notable practice among standards committees, we expect to publish the findings of that in the next few weeks.

Best practice in how standards committees can discharge their wider role of promoting high standards is emerging as part of this picture.

**Parishes** - I've mentioned already the challenges set by a small number of parishes. During the year we've been working with representative organisations in the parish sector on ways of improving relations between standards committees and parishes in an area, and on a different way of working with challenging parishes - whole parish mentoring. The results are promising and you can find out more in one of our Assembly sessions.

**Standards in local partnerships** - We said during the year that we wanted to take a look at the issue of standards in local partnerships and see if there were identifiable risks across all councils. We've concluded that there is a role for standards committees in taking a look at partnerships. Typically, the challenges are in ensuring good governance arrangements, and there is plenty of good advice available to draw on. Again we've a session on this topic at the assembly.

**Standards committees working together** - Regulations were issued on joint standards committees in July and our guidance alongside them. We've seen some interesting examples of standards committees working together this year, in the next year we'd like to see more.

**Training** - We're committed to supporting your training programmes in a range of ways and I'm pleased to report we've just added a new DVD to our stable, this one on local assessment. Copies are even now on their way out to you.



**Communications** - At last year's assembly there was an emphasis on the benefits of getting the message across, and you were concerned about being able to do that. We've been working to identify best communications practice and to publicise it, indeed we attended a local government communications officers conference in May to spread the word.

So if those were last year's hot topics what are this year's? I will be listening hard over the next two days to get a sense of your issues: but for now I'm going to give you some of mine.

**General election** - We wouldn't be human if we didn't put this at the top of our list, would we?

Although the implications for standards of a possible change of Government will be on our mind, I'm confident of one thing – a change of Government is unlikely to have a significant effect on our work in the next 12 months.

**Revised Code** - Here's something much more definite. We will have a revised code - it's due to be published soon and to come into effect after the May 2010 council elections. Our advice and guidance will, of course, be timely and clear.

**Risk** - We'll be pressing ahead next year with our work on both identifying where risks to standards occur and on working with authorities to minimise those risks. I'm thinking both of the circumstances in which individual authorities get into standards trouble, and about issues which might pose a standards risk in wide numbers of authorities.

**Quality** - It is great for me to be able to speak with authority about the things we have learned. But the more I know, the clearer I become about the things I don't know – and there are things that as strategic regulator I really do need to know.

Take local investigations, for example. I know how many there are and know what decisions standards committees are reaching.

But, for example, should the Minister ask me whether I could offer any assurance as to the **quality** of investigations into the misconduct of local members, I'd have to say that right now I couldn't; and that's an uncomfortable position to be in.

**Cost** - And here's another thing I'm not sure about.

A criticism levelled at the local standards framework is that it's expensive. But is it? Compared to what? I don't currently know very much about what it's costing you, nor have I formed a view about how much it ought to cost.

**Time taken** - And then there are things I've got some early data on, but the picture is incomplete until more cases have been dealt with. Are you all assessing and investigating complaints in a timely fashion, for example?

**Sanctions** - And sanctions. I know you're concerned to apply the right ones to the right cases, and are interested in the consistent use of sanctions. But are the sanctions you use actually effective in changing behaviours in individuals and in councils?

**Vexatious/tit for tat complaints** - And two interlinked topics, vexatious complainants and tit-for-tat complaints.

Most complaints systems have specific provisions for dealing with vexatious complainants - but ours doesn't. Should it have, and what should that be?

Similarly one of the intended consequences of the changes introduced in 2007 was to make it easier to weed out 'tit-for-tat' complaints at the assessment stage? Is that happening - or is there more we need to do to?

If I can wrap all of the last six items on this list up into one word it is proportionality: Is the standards framework doing a fair job in a reasonable way?

We've been talking to the public about the proportionality of the local standards framework. This is a useful 'reality check'. We're all in this business because we're acting in 'the public interest'. And there's nothing like sitting down in a room with eight or ten engaged and attentive ordinary people to get a 'sense of what the public interest really is, which is what our researchers have done several times over!

And there is some good news.

The public are very interested in standards; indeed they have an expectation that all politicians - national and local - should uphold a higher standard than people in other walks of life - all of the time!

And the public are grateful for the work standards committees are doing; they're pleased that there are people giving time and energy to considering the issues you're considering.

Ask them to think through a few case studies and they recognise the decisions you make *aren't* easy, and a lot of the time it depends on the details and motivations of the particular case in question as to what's the right course of action.

But if they're pleased about that, there are things that bother them about what we do.

They're bothered about how *trivial* a lot of what we deal with seems. Why isn't the system better at delivering a quick '*a slap on the wrist*' or at '*banging heads together*' they want to know?

They're bothered about how long things take and how much they might be costing, taking into account the time of all the people involved. You and I can argue that there's a cost to being fair and having due process, but they need convincing.

And they're not sure that, at the end of the process, the punishment fits the crime.

They see councillors '*getting off on a technicality*' in cases where *they* see clear poor behaviour and they see other members being found '*guilty*' but escaping with no meaningful punishment.

'*Why can't you fine them part of their allowance, that would make them think twice before stepping out of line?*' We were asked.

Of course the public is just one stakeholder in what we do but I'm sure you would agree that public support is something worth having.

We've been talking to politicians and standards committee members too, and all of that is feeding in to one of our key projects for this autumn, a **review** of the proportionality of the standards framework.

We will be looking to reach some judgements with regard to issues such as effort expended, timeliness, cost, sanctions, type and nature of complaints and so on - and to make recommendations to Government on how the framework might be optimised to meet their objectives.

Your views, of course, will be very important in forming those judgements.

I'll be keen to talk to you over the next two days about all of the above - and indeed **any** issues you have.

Which brings me to the end of my speech, but, I suspect, our talking **has only just begun**.