

Strengthening Local Democracy consultation

Standards for England's response

Introduction

1. As the strategic regulator charged with maintaining and overseeing the conduct framework for locally elected politicians, Standards for England welcomes Communities and Local Government's current consultation on strengthening local democracy.
2. There is widespread evidence that the ethical behaviour of local councillors can have a direct impact on the trust of the people they serve, which, in turn, impacts on engagement with local democracy. The Power Report concluded that political institutions and politicians were perceived as untrustworthy, that there was disengagement with democracy and that "politicos have no idea of the extent of the alienation with democracy that is out there." The importance of ethics is of particular concern for those in public life since there is an expectation from the public that those in public life need to adhere to a set of standards of behaviour that are quite different to others. For example, research commissioned by the Committee for Standards in Public Life (2004) found that the public desire a more honest and reflective approach to politics, and a view that political leaders have a special responsibility when it comes to good conduct. The recent MPs' expenses furore itself has shown the damage that can be done to the reputation of politicians, institutions of politics and engagement with the democratic process. Citizens should expect and experience high standards of behaviour and probity whenever decisions are taken or resources allocated that affect lives and communities. Otherwise, the risk is even greater public disengagement from the democratic process.
3. It follows that any drive to renew democracy and build trust in the political system should pay due regard to the importance of strong ethical behaviour and the associated framework needed to ensure that local politicians, and partnership organisations, work in a transparent and accountable manner.
4. This consultation is wide-ranging in scope and our responses concentrate on the overall theme of improved decision-making and accountability, and how a strong standards framework can enhance both of these.

Chapter 1 - Local government at the centre of decision-making

5. In paragraph 17, CLG notes a desire for councillors to become ‘a local point of accountability’, and in paragraph 19, goes on to state that it proposes to ‘increase [councillors’] capacity to act more decisively, over a broader range of local issues and services, in the interests of their residents.’ This is further described later on in the consultation paper as a proposal to increase the scrutiny powers of councils by bringing a range of local public services within the scope of those powers.
6. Standards for England agrees with the general principles behind giving councils increased scrutiny powers. A strong scrutiny function should help to enhance good governance within the services being supplied and therefore benefit the local population. As stated in a CIPFA/SOLACE report in 2007, ‘good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes for citizens and service users’.
7. We also believe that the work of those committees which ensure accountability and transparency within local government (scrutiny committees, standards committees and audit committees) should be effectively joined up. To this end we are proposing to undertake some joint work with the Audit Commission and Centre for Public Scrutiny. Ensuring that an accountability framework is comprehensible to the public is a key element of ensuring that they have confidence in it, and can be a stepping stone to building confidence in local democracy.
8. The inclusion of independent lay members of the public on scrutiny committees could also better connect the role of local government scrutiny to local communities. Comparison can be drawn with standards committees, which must include an independent chair.

Chapter 2 - Strong local government operating in the local interest and Chapter 4 – Sub-regional working

9. Chapter 2 deals with how councils can best address the challenges faced by their local community and, at the same time, deliver improved and more efficient services for citizens. It notes that any changes to address these challenges would need to be matched by growing public confidence in the council’s ability to shape those services.
10. Chapter 2 also deals with the issue of partnerships and how strong local partnerships are needed in order to deliver high quality public services to the general public. In paragraph 129 CLG notes that research into Local Strategic Partnerships and Beacon councils has identified a need for (amongst other things) well-developed trust and understanding, strong connections to the democratic processes and mechanisms for scrutiny and holding partners to account.

11. Chapter 4 looks at partnerships between authorities, perhaps across city-regions or other kinds of sub-region.
12. Standards for England would comment that the Code of Conduct to which councillors must adhere provides for a strong ethical framework within which they must operate. The requirement for councillors to register and declare interests and the mechanism by which individuals can complain about possible breaches of parts of the Code of Conduct helps to achieve greater public accountability and transparency of decision-making, and so enhances public confidence in the work of the council.
13. There is substantial evidence that partnership working can compromise accountability (Jones and Stewart 2009). Research undertaken for Standards for England by the University of Manchester (Greasley et al, 2006) highlighted the problems of differences between organisations in partnership with respect to openness and transparency, inconsistency in the codes of conduct that partners are working to and the difficulties of enforcement. A further problem, and one identified in the Councillors Commission report, is that the plethora of organisations involved in the provision of services, combined with the various governance arrangements, makes it difficult for the public to understand local governance arrangements, and subsequently it is hard for them to feel a sense of engagement with what is happening at a local level.
14. Standards committees, like scrutiny committees, have a strong independent element (indeed the chair of a standards committee must be an independent member). We are proposing to undertake some work with the Centre for Public Scrutiny which will seek to ensure the effective scrutiny of partnership arrangements, including their adherence to appropriate standards of behaviour. This will involve close working between the scrutiny and standards committee in an authority. We intend to develop a checklist of questions and pointers which a standards committee can use to encourage its authority to ensure that partners are 'ethically appropriate' to work with to ensure the effective scrutiny of partnership arrangements and partners' adherence to the Seven Principles of Public Life.
15. We would therefore encourage any consideration of how to improve accountability in partnerships to include consideration of the role of the standards committee of those local authorities involved and, in particular, how the standards committee could support the work of the scrutiny committee.

Chapter 5 – Clear relationships with local government

Question 25. What are your views on the draft principles set out above as a way of achieving this ambition?

Question 26. Do you agree that an ombudsman-style arrangement and a joint select committee of both Houses of Parliament are the correct approaches to oversee and enforce these principles, if adopted?

16. In Chapter 5, it is suggested that the role of local government should be set out more formally by way of a set of principles. The principles detailed in the consultation paper include, at part F, a requirement for those participating in local public life to act in accordance with the seven principles of public life, as well as the requirement for elected members to adhere to their local authority's Code of Conduct.
17. Paragraph 178 sets out a proposal for the oversight of those principles to be managed by an ombudsman style arrangement and, at a national level, a joint select committee.
18. Standards for England supports arrangements for an independent organisation to provide a mechanism of redress for citizens concerned that one of the principles has been breached. Standards for England provides that independent oversight of the conduct framework in local government. We believe that standards and ethics are particularly important, especially given the recent reaction to the MPs' expenses scandal, and there is a danger that including the principle about the code of conduct in the proposed general ombudsman arrangement may mean that the importance of strong ethical behaviour becomes less focused. In the pursuit of increased scrutiny of performance we must not neglect the importance of standards of behaviour.

Conclusion

19. In conclusion, Standards for England is fully supportive of plans to strengthen local democracy and build trust in the political system.
20. Increased scrutiny powers for local councils is a welcome step in achieving the aims set out in the consultation document. We also urge that the importance of standards of behaviour is not overlooked in the pursuit to strengthen local democracy and build trust, and that recognition is given to the important role that the existing standards framework does, and can, play.

STANDARDS FOR ENGLAND
02 October 2009