

NORTH YORKSHIRE COUNTY COUNCIL

STANDARDS COMMITTEE

11 March 2022

**Local Ethical Framework Developments**

**1.0 PURPOSE OF REPORT**

- 1.1 To update Members on the development of the ethical framework under the Localism Act 2011.

**2.0 BACKGROUND**

- 2.1 Members receive a report at each Standards Committee meeting setting out any recent developments in the ethical framework.

**3.0 AMENDMENT OF COUNCIL CODE OF CONDUCT FOR MEMBERS IN LIGHT OF MODEL CODE**

- 3.1 The main area of development is the amendment of the Council's current Code of Conduct for Members in light of the new Model Code published by the Local Government Association. This is the subject of a separate report to the Committee.

**4.0 COMMITTEE ON STANDARDS IN PUBLIC LIFE REPORT ON LOCAL GOVERNMENT ETHICAL STANDARDS**

- 4.1 The Committee on Standards in Public Life (CSPL) published its extensive Report on Local Government Ethical Standards on 30 January 2019. The Report makes a number of recommendations (26), which are not legally binding, to the Government regarding the ethical framework, which would require changes to legislation and the regulatory framework if accepted. It also makes various best practice recommendations which local authorities could choose to implement immediately should they so wish. The Report has been considered by the Standards Committee and a response from Government long-awaited.

- 4.2 Since the Committee's last informal meeting on 17 September 2021, the Minister for Levelling Up Communities is reported to have said that she is actively considering the recommendations set out in the CSPL report on local government ethical standards and will respond "shortly". Members will be kept informed of developments.

**5.0 ONLINE SAFETY BILL**

- 5.1 The Department for Digital, Culture, Media and Sport has announced that that the Government will add two new duties to the Online Safety Bill to strengthen the law against anonymous online abuse: the first to force the largest and most popular social media sites to provide an option to block unverified accounts and the second duty to require platforms to provide opt out options re algorithms and harmful content. This is based on recommendations from the LGA and the aim is to give social media users more control over who can contact them and their online interactions.

## **6.0 PROPOSED COMPLAINT REVIEW ROLE BY LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN**

6.1 The recommendations in the CSPL Report re Review of local government standards included the following:

- That current sanctions available to local authorities under the current regime are insufficient and stronger sanctions should be made available to authorities. They should be given the power to suspend councillors without allowances for up to six months. The CSPL envisages the power of suspension being used rarely and only for the most serious breaches eg significant bullying/harassment, serious breaches of the rules on declaring financial interests, or repeated breaches or repeated non-compliance with lower level sanctions. To ensure that any power of suspension is applied fairly, the CSPL recommends that an authority may only impose suspension for a breach of the Code where the Independent Person agrees with the finding of a breach and that suspension is a proportionate sanction.
- That there should also be a right of independent appeal against suspension to the Local Government and Social Care Ombudsman, whose decision would be binding.

6.2 The Local Government and Social Care Ombudsman has confirmed that the service is ready and prepared to undertake this appeal role should the Government be minded to implement the CSPL recommendation, and has further stated that complainants, as well as sanctioned councillors, should be allowed to make a request to the Ombudsman to review an authority's handling of a standards complaint. This would enable an independent review of a complaint process which authorities may find helpful in bringing long-running disputes to an end.

6.3 As mentioned earlier in this report, the Government's response to the 2019 CSPL Report is awaited and Members will be kept informed of developments.

## **7.0 LGA CALL FOR EVIDENCE - CIVILITY IN PUBLIC LIFE: ABUSE AND INTIMIDATION OF COUNCILLORS**

7.1 As part of its work on Civility in Public Life, the LGA has been developing a call for evidence re abuse and intimidation of elected councillors to capture councillors' "experiences and emerging trends around abuse and intimidation from the public" in their elected role. The LGA hopes that "Evidence collected in this way will help the LGA to develop a body of evidence to support our calls for legislative and systemic change and develop support for elected members."

7.2 It is an ongoing call for evidence so there currently no closing date. If Members wish to know more and/or respond to the call for evidence, more information can be found via the following hyperlinks:

[Civility in public life | Local Government Association](#)

[Civility in public life call for evidence: Abuse and intimidation of councillors \(local.gov.uk\)](#)

## **8.0 CSPL REPORT ON THE REGULATION OF ELECTION FINANCE**

8.1 At its last informal meeting in September 2021, the Standards Committee was informed that in July 2021, the CSPL had published its 22<sup>nd</sup> report, on the regulation of election finance. The report is detailed, spanning 167 pages and is available on the website:

[Regulating Election Finance: report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97422/Regulating-Election-Finance-report-2021.pdf)

and makes 47 separate recommendations in relation to the following broad areas:

- principles underpinning the regulation of election finance;
- electoral law and legal framework (and its simplification);
- the role of the Electoral Commission;
- regulating donations and loans;
- regulated periods (periods during which spending limits and reporting obligations apply) and campaign expenditure;
- digital campaigning and election finance;
- reporting campaign expenditure timeframes;
- non-party campaigning;
- the framework for the enforcement of election finance offences (the criminal and civil regimes);
- a civil sanctions regime for candidates, overseen by the Electoral Commission.

8.2 The CSPL states that the report “focuses on practical proposals that seek to modernise and reform aspects of the regime.... Together, the recommendations we have made in this report will deliver significant improvements to the current framework for regulating election finance, creating a more transparent, proportionate and effective system.”

8.3 The Government has now published its response to the CSPL’s review - [Government response to 'Regulating Election Finance' - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97422/Regulating-Election-Finance-report-2021.pdf). The Government states that it “intends to look at all the recommendations in the committee’s report, alongside other recommendations set out in similar reports including the forthcoming Report of the Public Administration and Constitutional Affairs Committee into the work of the Electoral Commission, as part of further work looking at the regulatory framework for elections, beyond the Elections Bill.”

8.4 The CSPL has welcomed the Government's initial response ([Lord Evans' statement on the Government's response to the Committee's Regulating Election Finance report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97422/Regulating-Election-Finance-report-2021.pdf)) and looks forward to the Government’s further analysis of its recommendations. Members will be kept informed of developments.

## **9.0 CSPL REPORT - 'UPHOLDING STANDARDS IN PUBLIC LIFE'**

9.1 The Standards Committee was informed at its last informal meeting that the CSPL had published its findings from its ‘Standards Matter 2’ review ([Standards Matter 2: The Committee's Findings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97422/Regulating-Election-Finance-report-2021.pdf)), in advance of its final report.

9.2 The Committee launched its Standards Matter 2 review ([Standards Matter 2 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97422/Regulating-Election-Finance-report-2021.pdf)) last autumn “to evaluate the strengths and weaknesses of the institutions, processes and structures in place to support high standards of conduct in public life.... In light of sustained public scrutiny on standards in public life and a number of ongoing parliamentary and government inquiries into

standards issues, the Committee is publishing findings from the review. The Committee's final report and recommendations to the Prime Minister will follow later this year".

9.3 The findings covered the following broad areas:

- four areas of standards regulation require significant reform: the Ministerial Code and the Independent Adviser on Ministers' Interests, the business appointment rules and the Advisory Committee on Business Appointments (ACOBA), transparency around lobbying, and the regulation of public appointments;
- immediate issues with the current operation of the standards regulatory regime, and point in the direction of necessary reforms.

9.4 The CSPL has now published its 23rd Report 'Upholding Standards in Public Life', the final report and recommendations of the Standards Matter 2 review. It is a lengthy report, spanning over 100 pages, and is published on the CSPL website:

[Upholding Standards in Public Life - Published Report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/671004/23rd-report-upholding-standards-in-public-life.pdf)

The Report contains details of the CSPL earlier findings mentioned above and translates them into recommendations to Government, alongside several new recommendations – 34 recommendations to the Prime Minister in total. These are set out at pages 13 to 17 of the Report. The report looks at the institutions, processes and structures in place to support high standards of conduct in Government.

9.5 Key findings in the report are:

- The importance of ethical standards:** High ethical standards underpin public confidence however “social media, intimidation, political polarisation and a more intense and immediate public debate on politicians’ conduct has led to increasing risks to public standards, exacerbated by the pressures of the coronavirus pandemic and EU exit... The balance of evidence submitted to this review indicates to us that the existing standards framework is not functioning as well as it should...”
- There is strong support for Lord Nolan’s original **Seven Principles of Public Life**, however the Leadership descriptor should be updated to better cover the issue of respect:

**Leadership (new descriptor):**

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

- The Regulation of Ethical Standards:** The current system of ethical standards regulation in central government is too dependent on conventions, and there needs to be a greater degree of independence of standards regulators in government. There should be stronger rules, more independent regulation, and a better system of compliance in central government. “The Committee’s recommendations are designed to codify the most important conventions and norms around standards in government into more formal processes and rules.”

- iv. **The Ministerial Code and the Independent Adviser on Ministers' Interests:** the CSPL view is that further reform is necessary to the Ministerial Code and the role of the Independent Adviser, for example:
- the code's provisions on ethics and standards should be separated from those detailing the processes of cabinet governance;
  - the code must be owned and issued by the Prime Minister, underpinned by statutory obligation, rather than Parliament;
  - the code should detail the range of sanctions that the Prime Minister may issue in response to a breach – "We recommend that those sanctions include apologies, fines, and asking for a minister's resignation."
  - the appointments process, powers and remit of the Independent Adviser should be strengthened.
- v. **The Business Appointment Rules:** The scope of these Rules should be expanded, and the Rules should be enforced through legal arrangements. "The lack of any meaningful sanctions for a breach of the rules is no longer sustainable."
- vi. **The Regulation of Public Appointments:** the CSPL recognises that "Though the public appointments system has generally worked well in recent years, it is highly dependent on informal mechanisms, ... It is unlikely that a system so dependent on personal responsibility will be sustainable in the long term." The CSPL recommends reforms to the powers of the Commissioner for Public Appointments to provide a better guarantee of the independence of assessment panels.
- vii. **Transparency around Lobbying:** the CSPL feels that the current system around such transparency is "not fit for purpose" and suggests a number of improvements;

9.6 The CSPL believes its recommendations outline "a necessary programme of reform to restore public confidence in the regulation of ethical standards in government".

## **10.0 PREVIOUS CSPL REPORTS AND REVIEWS**

10.1 Links to all reports and reviews conducted by the CSPL since 1995 are published on its website - [Previous CSPL reports and reviews - GOV.UK \(www.gov.uk\)](http://www.gov.uk).

## **11.0 FINANCIAL IMPLICATIONS**

11.1 There are no significant financial implications arising from this report.

## **12.0 LEGAL IMPLICATIONS**

12.1 The legal implications are set out in the body of this report.

## **13.0 ENVIRONMENTAL IMPLICATIONS**

13.1 There are no significant environmental implications arising from this report.

## **14.0 RECOMMENDATIONS**

14.1 That the Committee notes the contents of this report.

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Background Papers:

None

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2 March 2022