

**NORTH LINCOLNSHIRE COUNCIL**

**STANDARDS COMMITTEE**

**STANDARDS COMMITTEE - ANNUAL REPORT 2011/2012/PROTOCOL FOR  
DISCLOSABLE PECUNIARY INTEREST COMPLAINTS**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To consider the Annual Report of the Standards Committee under the previous statutory Standards regime for the period May 2011 to 30 June 2012.
- 1.2 To determine the future annual reporting requirements of the Standards Committee under the Council's revised Standards regime.
- 1.3 To approve a protocol with Humberside Police for the handling of complaints concerning Disclosable Pecuniary Interests under the Localism Act 2011.

**2. BACKGROUND INFORMATION**

**Reporting arrangements**

- 2.1 Members will be aware that the 1 July 2012 saw the introduction of the Council's revised Standards regime arising from the Localism Act 2011.
- 2.2 Under the previous statutory regime the independently chaired Standards Committee used to report annually on its activities for the municipal year.
- 2.3 With the change in regimes last year, the previous Standards Committee whilst continuing to oversee the discharge of the outgoing statutory regime necessarily led on the Council's preparations for its new regime. Consequently, in addition to receiving regular updates on complaint activity levels, the Standards Committee and full Council received several comprehensive reports on the new regime and attendant arrangements.
- 2.4 Now that the Council's new regime is firmly embedded, it seems appropriate, for the sake of completeness, to receive a report that caps the activity of the previous statutory regime to the 30 June 2012 and for the Standards Committee to determine what future annual reporting requirements it would like to establish.
- 2.5 The report at Appendix A details the standard annual reporting information provided under the previous statutory regime. It is proposed that a similar basis of reporting is established for the new regime and that the first report is prepared on the anniversary of the coming into force of the new regime on 1 July 2013.

## **Disclosable Pecuniary Interests**

2.6 The Localism Act 2011 introduced the concept of Disclosable Pecuniary Interests for which, in certain circumstances, a failure to register and/or disclose can leave members liable to criminal conviction. Under the Act, the Police in conjunction with the Director of Public Prosecutions, are responsible for prosecuting offences. The Act is however silent on the processes to be followed on how such complaints should be handled and in such circumstances it is considered that a protocol be established with Humberside Police to clarify matters.

2.7 The Protocol attached at Appendix 2 has been agreed with Humberside Police and with the Monitoring Officer of North East Lincolnshire Council who is proposing that it be implemented for that Authority's complaints also. This is consistent with the approach taken hitherto with the revised Standards regime adopted by North East Lincolnshire Council mirroring that adopted by this Council.

### **3. OPTIONS FOR CONSIDERATION**

3.1 That the Standards Committee endorses the continued production of an annual report on its activities and that such report be produced to coincide with the first anniversary of the implementation of the Council's revised Standards regime on 1 July 2013.

3.2 That the Committee approves the adoption of the protocol with Humberside Police detailed at Appendix 2 to establish a process for the handling of complaints concerning Disclosable Pecuniary Interests.

### **4. ANALYSIS OF OPTIONS**

4.1 Option 3.1 will ensure the continuance of good practice and compliance with the requirements of the Council's Annual Governance Statement. To discontinue the production of an annual report will be contrary to previously established good practice and the Council's Annual Governance Statement.

4.2 Option 4.2 will provide clarity on how such matters will be handled and assist members and complainants in understanding the process better, in the absence of statutory guidance. Although the adoption of a protocol is not a statutory requirement, failure to do so will not assist clarity or understanding of how such complaints will be handled.

### **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

5.1 The minimal resource implications associated with both options will be absorbed from within existing provision.

### **6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

6.1 The establishment of a protocol for handling Disclosable Pecuniary Interest complaints will ensure that the Council and Humberside Police have a clear process for dealing with such matters that may, ultimately, carry criminal sanctions.

## 7. OUTCOMES OF CONSULTATION

- 7.1 No specific consultation, outside of the Standards Committee, has taken place on the annual reporting proposals as they are a continuance of existing good practice.
- 7.2 The proposal to enter into a protocol with Humberside Police for the handling of Disclosable Pecuniary Interest complaints has the full support of Humberside Police who are keen to see the protocol implemented across the entirety of its force area. The Monitoring Officer of North East Lincolnshire Council is equally supportive of the protocol and has requested that North East Lincolnshire Council be joined into it.

## 8. RECOMMENDATIONS

- 8.1 That the Annual Report of the Standards Committee under the previous statutory regime for the period May 2011 to June 2012 as detailed at Appendix 1 be received.
- 8.2 That the Standards Committee receive its first Annual Report on the Council's revised Standards regime following the first anniversary of the implementation of such regime after 1 July 2013.
- 8.3 The Standards Committee approves the protocol with Humberside Police at Appendix 2 for the handling of complaints concerning Disclosable Pecuniary Interests and that such protocol be incorporated into the Council's standards regime 'Arrangements'.

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**Background Papers used in the preparation of this report: None**

## **NORTH LINCOLNSHIRE COUNCIL**

### **STANDARDS COMMITTEE**

#### **ANNUAL REPORT**

**2011/12**

This report looks at the work and activities of the Standards Committee during the period May 2011 to June 2012.

#### **Membership**

In accordance with statutory requirements the committee comprised 12 members, 6 of these are members of North Lincolnshire Council, 3 are Independent Members and 3 are parish representatives.

The following served on the committee for the 2011/12 municipal year.

Councillor John England (Conservative)  
Councillor Neil Poole (Conservative)  
Councillor David Robinson (Conservative)  
Councillor David Wells (Conservative)  
Councillor Andrea Davison (Labour)  
Councillor David Whiteley (Labour)  
Mr Wayne Harvie (Independent Member (Chairman))  
Mr David Cuckson (Independent Member) (Vice – Chairman)  
Mr Paul Kelly (Independent Member)  
Mrs Yvonne Aubrey (Parish Representative)  
Mr John Kitwood (Parish Representative)  
Mr Richard Nixon (Parish Representative)

North Lincolnshire Council members are appointed at the Annual Meeting each year. Independent members were selected following public advertisement. Parish representatives were selected by ballot by the Town and Parish Councils. Independent members and parish representatives were to serve for a 4 year term which ended in September 2011. However given the Government's intention to abolish the "Standards Board regime" through the Localism Bill the Council agreed to extend their period of office until such time as any outstanding complaints under the Code of Conduct had been dealt with.

#### **Role of Committee**

The main role of the Standards Committee is to promote and maintain high standards of conduct, to set an example to other bodies it works with and to the community at large. The Standards Committee will promote, educate and support members in following the highest standards of conduct and ensuring that those standards are fully owned locally.

The role is not just about enforcing the Code it is also about relationships both internally between members and staff and externally with the public and other stakeholders.

### **Terms of Reference**

- (a) Promoting and maintaining high standards of conduct by councillors, co-opted members and church and parent governor representatives.
- (b) Assisting the councillors, co-opted members and church and parent governor representatives to observe the Members Code of Conduct.
- (c) Advising the Council on the adoption or revision of the Members Code of Conduct.
- (d) Monitoring the operation of the Members Code of Conduct.
- (e) Advising training or arranging to train councillors, co-opted members and church and parent governor representatives on matters relating to the Members Code of Conduct.
- (f) Granting dispensations to councillors, co-opted members and church and parent governor representatives from requirements relating to interests set out in the Members code of Conduct.
- (g) Dealing with any reports from a case tribunal or interim case tribunal, and any report from the Monitoring Officer on any matter which is referred by an Ethical Standards Officer to the Monitoring Officer.
- (h) The exercise of paragraphs (a) to (g) above in relation to the town and parish councils wholly or mainly in its area and the members of those town and parish councils.
- (i) To consider any complaints relating to an alleged breach of the members' Code of Conduct in accordance with such procedures as the Committee may agree from time to time.
- (j) To make such determinations in respect of those complaints as may be appropriate in accordance with such procedures as the Committee may agree from time to time.
- (k) To deal with the grant of exemptions from political restriction in respect of any post holder and give directions on any post to be included in the list of politically restricted posts maintained by the authority.

Additional to these core functions the Standards Committee receives the Annual Report of the Local Government Ombudsman and passes comment on revisions to the locally adopted Employees Code of Conduct/Code relating to the declaration of

interests, hospitality and gifts and good practice rules for Planning and Licensing Committees.

The Ombudsman's Annual report for 2011 - 2012 was to be considered by the new Standards Committee once published.

### **Code of Conduct**

Its main operational function is to deal with complaints received by North Lincolnshire Council in respect of members not only of the Council but of the 52 Town and Parish Councils in the area of North Lincolnshire. All of the members of those councils are subject to the Members Code of Conduct (2007 version) which sets out general obligations which have to be met by members when acting within their official capacity (or at any other time where that conduct constitutes a criminal offence for which the member has been convicted), when personal or personal and prejudicial interests have to be declared and the registration of relevant interests in a register kept by the Council. The Committee has set up processes and procedures in line with legislative requirements and guidance from Standards for England to deal with complaints through the assessment, review and determination stages by way of ad hoc sub committees.

### **Complaints**

During the period covered by this report thirteen new complaints were received involving members.

Six complaints related to members of Town/Parish Councils and seven related to members of North Lincolnshire Council. All had passed through the assessment process by the end of the period of this report, only one of which was referred for investigation.

Out of the six town/parish complaints two referred to parish councillors and four to town councillors.

The only complaint referred for investigation was that against a North Lincolnshire Council member, which was determined by a Determination Sub – Committee on 28 June 2012.

Three complaints had been referred to the Monitoring Officer for other action. By the end of the period covered by this report he had reported back to an Assessment Sub Committee on two of these following which the cases had been closed.

Two matters were referred to Standards for England for investigation which had deemed that no investigation was necessary in either case and there were no matters the subject of proceedings before the First Tier Tribunal (Local Government Standards in England).

The complaints related to failure to treat with respect, failure to declare interests, bringing the council into disrepute, bullying etc.

The sole investigation undertaken was carried out internally by an officer from legal services.

### **Other Issues**

The Committee continued to focus on the pending wide-ranging revisions to the existing statutory regime with the passage through Parliament of the Localism Bill. In November 2011 the Localism Act 2011 came into force and as anticipated introduced wide sweeping reform of the existing statutory regime. In particular, the Act abolished the existing statutory Standards regime along with Standards for England. It also heralds the dissolution from 1 July 2012 of the requirement to have an independently chaired Standards Committee and requires Councils to put in place their own locally produced Codes of Conduct and “arrangements” for dealing with complaints. It also introduced the requirement for ‘Independent Persons’ to be appointed to comment on complaints and perhaps, most significantly, the concept of ‘Disclosable Pecuniary Interests’ that members are required to register and disclose for which failure carries possible criminal sanction.

One issue that invited a lot of Parliamentary discussion was the position of Town and Parish Councils and the arrangements for the investigation of complaints concerning Town and Parish members. In the end the Act reinstated the previous position that principal Councils would retain responsibility for considering and investigating such complaints.

In light of such the Committee was keen to ensure that throughout the preparatory stages of its new Standards regime, regular consultation and dialogue was maintained with Town and Parish Councils and their Clerks and that in addition to its own elected members, training was provided to Town and Parish Council members also.

Detailed reports on the implications of the Act were received by the Committee at all of its meetings during the year and by full Council at its meeting on the 15 May 2012 so that by the 1st July 2012 the Council will have in place a fully compliant revised Standards regime. In particular, this includes the appointment as Independent Persons of Mr J Goolden and Mr R Johnson.

Alongside the new provisions the Committee continued to discharge its obligations under the existing regime and receive regular reports on complaint activity.

**PROTOCOL BETWEEN NORTH LINCOLNSHIRE AND NORTH EAST  
LINCOLNSHIRE COUNCIL MONITORING OFFICERS AND HUMBERSIDE  
POLICE**

**Purpose** - To agree a protocol for the reporting of potential criminal offences arising under Section 34 of the Localism Act 2011 concerning the registration and/or disclosure of Disclosable Pecuniary Interests (DPIs) (as defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012).

1. In the event that a Monitoring Officer receives a complaint regarding a potential DPI offence they will make immediate contact with Humberside Police through the nominated single point of contact currently DS Mike Wood, Economic Crime Unit email Michael.Wood@humbersidepolice.pnn.police.uk Telephone: 01482 578942 (ext 6942).
2. Similarly if Humberside Police receives a complaint they will inform the relevant Monitoring Officer (each authority will be responsible for providing up to date contact details of their appointed Monitoring Officer from time to time).
3. Humberside Police will register the complaint and conduct an initial assessment of the complaint but may approach the relevant Monitoring Officer for background information on the complaint.
4. If Humberside Police decide not to prosecute the matter they will normally pass the relevant evidence to the relevant Monitoring Officer so that consideration can be given to a Code of Conduct breach being pursued. In the event that the relevant Council decides to pursue a Code of Conduct breach they will inform Humberside Police of their decision.