

**MANCHESTER CITY COUNCIL
REPORT FOR RESOLUTION**

COMMITTEE: Standards Committee

DATE: 20 November 2006

SUBJECT: Strong and prosperous communities - The Local Government White Paper

REPORT OF: The City Solicitor

PURPOSE OF REPORT:

To inform Members of the Standards Committee about the new White Paper: Strong and Prosperous Communities.

RECOMMENDATIONS:

To note the provisions in the White Paper.

FINANCIAL CONSEQUENCES FOR REVENUE BUDGET:

None at present

FINANCIAL CONSEQUENCES FOR CAPITAL BUDGET:

None

WARDS AFFECTED:

All

IMPLICATIONS FOR:

Antipoverty	Equal Opportunities	Environment	Employment
No	No	No	No

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BACKGROUND DOCUMENTS:

1. Strong and prosperous communities - The Local Government White Paper
2. Report to Standards Committee on 16 January 2006 at item 3.
3. Extract from the White Paper - (Appendix 1)

Background

1. On 16 January 2006, Members considered a discussion paper on 'Standards of Conduct in English Local Government: The Future,' published on 15 December 2005 by the Office of the Deputy Prime Minister (now the Department for Communities and Local Government (DCLG)).
2. That paper incorporated and accepted the recommendations from the Standards Board for England's consultation on the review of the Code of Conduct. It highlighted the need for certain changes to the current Ethical Framework, which included a more local system for investigating allegations of misconduct. Members noted the potential for the workload of the Committee to be significantly increased as a result of the proposed changes, and the added responsibilities falling on independent members.
3. Section 3 of the White Paper on 'Effective, accountable and responsive local government' now takes forward those proposals and sets out an intention to legislate on certain matters including local standards committees making initial assessments of misconduct allegations and most investigations and decisions being made at local level. The Standards Board for England is also to have a revised strategic regulatory role to provide supervision, support and guidance for local authorities and ensure consistent standards.
4. The White Paper also sets out the intention to introduce a new clear, simpler and more proportionate code of conduct including amending the rules on personal and prejudicial interests to remove the current barriers to councillors speaking up for their constituents or for public bodies on which they have been appointed to serve.
5. In essence the White Paper simply takes forward the key proposals set out in the paper last year. Extracts of the White Paper, which relate specifically to the Ethical Framework, are attached at Appendix 1. At the recent Standards Board Conference the Government announced that it intended to introduce the revised code of Conduct for consultation a few weeks after issue of the White Paper. Dependent upon timescale, a further report will be brought back to the Standards Committee once the consultation paper has been issued.
6. The White Paper also outlines how Government supports strong leadership and proposes a range of changes to council constitutions. These other key proposals are:
 - Councils will be required to choose one of three leadership models, all elected on a four-year basis designed at strengthening leadership. The three models are:
 - Directly elected mayor
 - Directly elected executive of councillors.
 - Leader elected by fellow councillors
 - Overview and scrutiny powers will be extended to cover key partner organisations.
 - Where they want to, Councils will be able to move to whole council elections and, if desired, single member wards.
 - Unitary status is recognised as beneficial to leadership and efficiency, and councils in two-tier areas will be able to seek this.
 - The government will review incentives and barriers to serving on councils, and also seek ways to promote greater diversity.

- Councils will gain powers to enact byelaws and enforce them through fixed penalty notices.

7. Members are asked to note the provisions in the White Paper.

Extract from the White Paper

Localise and simplify the conduct regime

- 3.46 All democratic and public governance relies on high standards of probity. When conduct and behaviour are corrupt or improper it erodes confidence in the democratic system. The UK has a strong reputation for high standards in public life and it is important for the future well-being of local government that this is maintained.
- 3.47 The Graham Committee on Standards in Public Life reported in 2005 that the vast majority of councillors observe high standards of conduct. It also concluded that such standards would be more likely to be guaranteed if decision making on conduct issues was devolved to the greatest extent possible to the local level.
- 3.48 Strong and accountable local leadership requires the highest standards of conduct. In December 2005, we consulted on proposals to promote these high standards in local government and to improve the conduct regime, including whether there was support for a more local system for investigating allegations of misconduct. Following this consultation, which showed broad support for the proposals, we will legislate to deliver a more locally-based regime :-
- with local standards committees making initial assessments of misconduct allegations and most investigations and decisions made at local level;
 - a revised strategic regulatory role for the Standards Board to provide supervision, support and guidance for local authorities and ensure consistent standards.
- 3.49 We will also put in place a clearer, simpler and more proportionate code of conduct for local authority members and a new code for employees. Changes to the members' code will include amending the rules on personal and prejudicial interests to remove the current barriers to councillors speaking up for their constituents or for the public bodies on which they have been appointed to serve. So, for example, in future members of a planning or licensing committee will have more opportunities to represent their constituents on planning or licensing issues that affect their wards. Members will be able to speak and vote on such issues unless their interests in the matter are greater than those of most other people in the ward.

Steps towards Implementation

9.6 To secure effective, accountable and responsive local government, and help all councils develop their capacity and effectiveness, we will:

- end the Secretary of State's role in confirming byelaws, and make it possible for councils to enforce byelaws through fixed penalty notices;
- give local authorities the choice of one of three executive models – a directly elected mayor with a four year term, a directly elected executive with a four year term, or an indirectly elected leader with a four year term;
- allow authorities to adopt a mayoral model without the need for a referendum;
- strengthen Overview and Scrutiny committees;
- allow all local authorities to opt for whole council elections and enable those holding such elections to move to single member wards;
- give councils in two-tier areas an opportunity to seek unitary status, with those continuing with two-tier arrangements expected to adopt new improved two tier models;
- establish a new more locally-based conduct regime, with a streamlined Standards Board having a refocused role as a light touch regulator;
- publish a revised statutory model Code of Conduct for councillors, to allow councillors to speak on licensing and planning issues, and a new code of conduct for local authority employees.