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# Annual Report 2012-13

Committee on Standards  
In Public Life

August 2013

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## Lobbying

36. The Committee continues to regard lobbying as an area in which there are genuine concerns involving suspicions that some lobbying may be taking place in secret and some individuals or organisations have more access to policy makers, so that it is not known who or what is influencing a particular decision. However, we remain doubtful that a statutory register of third party lobbyists, as proposed by the Government in a consultation paper in 2012, is the key to further reform. We believe it would be better to build on the steps already taken to increase transparency. Greater transparency might include, for example, enhancing the level of disclosure around meetings between ministers and those lobbying on behalf of a particular interest, as proposed in a report published in July 2012 by the Political and Constitutional Reform Committee. The Government renewed its commitment to introducing a statutory register of lobbyists and increasing transparency around lobbying in its mid-term review of the Coalition published in January and has recently restated that legislation will be introduced in July 2013.
37. As set out in our annual work plan, the Committee has been considering the transparency issues around lobbying, focusing particularly on those who are lobbied. To progress this work, the Committee issued a call for evidence in June and will be holding a meeting after the Parliamentary recess with interested parties, to look at what more can be done to bring greater integrity to existing arrangements. With the evidence gathered we aim to produce proportionate recommendations which will complement the proposed statutory provision and help restore the public's trust and confidence.

## Local government standards

38. Under the Localism Act 2011 the new local government standards regime came into effect on 1 July 2012. The Committee welcomed the introduction of a mandatory requirement for local authorities to adopt a local code of conduct based on the Seven Principles of Public Life and the intention to encourage a greater sense of local responsibility for standards and to reduce the number of vexatious complaints.
39. While we recognise that the new system needs time to properly bed in, we do, however, have certain concerns:
- Due to the emphasis on local ownership of standards we would expect the new regime, like the previous one, to function well in those areas where party leaders are prepared to provide the

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necessary leadership and example. It is likely to do less well where such leadership is inadequate.<sup>5</sup> History suggests that problems are most likely in areas with monolithic political cultures and correspondingly little political challenge, where partisan rivalry is most bitter and tit-for-tat accusations most common, or in those predominantly rural areas with significant numbers of independent members without the benefit of party discipline.

- Under the previous arrangements local authorities and an independent tribunal had the power to suspend members for varying periods of time as a sanction against poor behaviour. The only sanctions now available, apart from through the use of a political party's internal discipline procedures are censure or criminal prosecution for deliberately withholding or misrepresenting a financial interest. We do not think these are sufficient. The last few years have seen a number of examples of inappropriate behaviour which would not pass the strict tests required to warrant a criminal prosecution, but which deserves a sanction stronger than simple censure. While censure may carry opprobrium in the political arena it is often considered unacceptably lenient by the public relative to other areas of their experience. Coercion of other members or officers is one category of offence with which it will be difficult to deal adequately under the new arrangements.
- Under the previous arrangements allegations about poor behaviour were determined by standards committees independently chaired by individuals who were not themselves members of the local authority. Under the new arrangements every local authority must appoint at least one independent person whose views it will seek, and take into account, before making its decision on an allegation that it has decided to investigate. We doubt that this will be sufficient to provide assurance that justice is being done and, equally important, that it is seen to be done.
- In the transition to the new system local authorities may have lacked proper time to prepare. In early June 2012 we wrote to all local authorities in England to ask about their preparations for implementing the new regime which came into force on 1 July 2012. The Committee was concerned that so late in the day, nearly half of those who responded had yet to adopt a new code and around four fifths had yet to appoint an independent person. The fact that the Regulations and Order which took effect from 1 July were laid only on 6 June cannot have helped their preparations.

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<sup>5</sup> Not forgetting that in several prominent recent cases it is the behaviour of leaders themselves that have been under question.

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40. While inevitably there have been various teething problems with the new regime, the Committee will continue to monitor the implementation and its effectiveness, particularly in relation to public confidence that any wrongdoing is tackled promptly and transparently in the absence of any external investigation and scrutiny.

### Independent Adviser on Ministerial Interests

41. In a report published in March 2012, the Public Administration Select Committee (PASC) raised the possibility that the Independent Adviser on Ministerial Interests was in practice insufficiently independent, as he or she is appointed personally by the Prime Minister, is supported from within the Cabinet Office, and cannot instigate his or her own investigations. Investigations can only be undertaken at the request of the Prime Minister. We agreed, and argued for the independence of the role to be increased and the power to instigate investigations to be granted.
42. The Independent Adviser on Ministerial Interests has carried out one investigation since then, finding in June 2012 that the then Conservative Co-Chairman had committed a minor breach of the Ministerial Code by not declaring a business relationship. However, there has also been controversy over the Prime Minister's decisions not to refer allegations made in 2012 about a possible breach of the code by the then Secretary of State for Culture, Media and Sport in relation to the bid by News Corporation for BSkyB to the Independent Adviser, on the basis that the issue would be looked at during evidence sessions for the Leveson Inquiry. It would in our view have taken much of the politics out of the issue, to everyone's advantage, if the decision on whether to investigate separately had been taken by the Independent Adviser – even if, as he might well have done, he had taken the same view. It is too easy for a Prime Ministerial decision not to refer, to be interpreted, however unfairly, as being motivated by a desire to avoid uncomfortable revelations.
43. In July 2012 our then Chair, Sir Christopher Kelly, issued a statement arguing for the Adviser to have the power to instigate investigations. The debate is still ongoing, and we continue to monitor it with interest.

### The Leveson Inquiry

44. Part 1 of the Leveson Inquiry into the culture, practice and ethics of the press was published in November 2012. The Committee submitted written evidence to the Inquiry in 2011, and welcomed the contribution it made to the debate on press regulation and public standards in the UK more

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