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19 December 2014

**Name of Cabinet Member:**

Ethics Committee

**Director Approving Submission of the report:**

Executive Director of Resources

**Ward(s) affected:**

None

**Title:**

Committee on Standards in Public Life: Annual Report for 2013-14

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**Is this a key decision?**

No

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**Executive Summary:**

This report is to outline the matters raised in the Annual Report for 2013-2014 of the Committee on Standards in Public Life to inform the Ethics Committee of relevant matters of concern in their work area on a national level.

**Recommendations:**

The Ethics Committee is recommended to

- (1) note the content of the report and consider any points upon which it may wish to take action; and
- (2) request the Assistant Director for Legal and Democratic Services to continue to monitor the national picture as regards standards and report back on any issue which may be of relevance to the Council on a local level.

**List of Appendices included:**

Extracts from the Annual Report of the Committee on Standards in Public Life 2013-2014

**Other useful background papers:**

Ethics in Practice: Promoting Ethical Conduct in Public Life (July 2014)-available at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/336976/2902536\\_CSPL\\_EthicsInPractice\\_acc.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/336976/2902536_CSPL_EthicsInPractice_acc.pdf)

Ethical Standards for Providers of Public Services (June 2014)-available at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/336942/CSPL\\_EthicalStandards\\_web.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/336942/CSPL_EthicalStandards_web.pdf)

Strengthening Transparency around Lobbying (November 2013)-available at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/336925/2901376\\_LobbyingStandards\\_WEB.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/336925/2901376_LobbyingStandards_WEB.pdf)

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

## **Report title: Committee on Standards in Public Life: Annual Report 2013-14**

### **1. Context (or background)**

1.1 The Committee on Standards in Public Life ('the Committee') was set up in 1995 and its current terms of reference are 'to examine current concerns about standards of conduct of all holders of public office.... and make recommendations as to any changes in present arrangements which might be required to ensure the highest standards of propriety in public life....'. Its terms of reference were clarified in 2013 to make it clear that it encompassed all involved in the delivery of public services, not solely those appointed or elected to public office.

1.2 Whilst it is a national body, having an overarching concern about public standards, its views and recommendations can be taken in account by local government and other organisations delivering public services when designing, implementing and monitoring their own ethical standards regime. The Committee has undertaken and been involved in 3 key pieces of work in their financial year 2013-2014 (to which this report relates):

- A review of transparency around lobbying;
- Ethical standards for providers of public services
- Ethics in practice: promoting ethical conduct in public life

The Committee has also published its Annual Plan for 2013-14 and 2014-15. In July 2015 the Committee will combine its Annual Plan and Annual Report into one document. It carried out its fifth Public Perceptions Survey (published in September 2013) to establish public views on acceptable behaviour of public office holders.

1.3 This report gives a very brief overview of the main areas of work of the Committee as well as setting out those matters raised in the Annual Report 2013-2014 ('the Annual Report') which relate specifically to local government standards.

### **2 Options considered and recommended proposal**

#### *2.1 Strengthening Transparency around Lobbying*

The Committee published its lobbying report in November 2013. While recognising that lobbying is a legitimate and potentially beneficial activity, it must be carried out transparently and ethically. The Committee concluded that a package of measures was urgently required in parliament to deliver a greater culture of openness and transparency around lobbying; provide greater clarity for public office holders on the standards expected of them; and to reassure the public that a more ethical approach to lobbying is actively being applied by all those individuals and organisations involved in lobbying. The Committee made several recommendations, some of which have been accepted by the Government.

More information about this report can be found in paragraphs 6 to 16 of the Annual Report.

#### *2.2 Public Perceptions Survey*

The Committee issued its fifth survey of public attitudes towards conduct in public life in September 2013. The survey showed a decline in levels of confidence that MPs meet the seven principles of public life. A large majority of respondents, however, felt they would be treated fairly by a range of front line public services. This was particularly the case with more

junior front line staff than with senior managers. The survey suggested that the public thought that probity in the private and public sector could be promoted by the creation of a culture where people were not afraid to report wrongdoing, the use of codes of conduct in which office holders and staff are trained and the setting of a good example by senior managers or officer holders.

More information about this survey can be found in paragraphs 17 to 28 of the Annual Report.

### *2.3 Ethical Standards for Providers of Public Services*

In June 2014, the Committee published its report into the expectation and assurance of ethical standards in the public service market, including where services are delivered by those outside the public sector.

The report concludes that:

- the public want common ethical standards across all provider types regardless of sector, supported by a code of conduct;
- “how” the service is delivered is as important to the public as “what” is delivered;
- public and stakeholder views of what should constitute ethical standards are broadly in line with the Seven Principles of Public Life;
- commissioners expect providers to conform to ethical standards but rarely explicitly articulate this;
- commissioners want guidance on how to embed ethical standards in the commissioning and procurement process.

It was evident from the research that there are currently no consistent structures or arrangements in place to promote actively an ethical culture and behaviours in the public service market. The Committee therefore recommended that ethical standards need to be proportionately addressed within existing contractual and monitoring arrangements, as part of the process for securing the regularity and propriety of public services.

More information about this report can be found in paragraphs 29 to 34 of the Annual Report.

### *2.4 Ethics in Practice: Promoting Ethical Conduct in Public Life*

This report which was published in July 2014 looked at the role of induction processes in embedding ethical standards in public life. The Committee concluded that ethical standards need to be included in the induction arrangements for all in public life. While this concept was well understood in many areas of public life, the Committee was particularly concerned at the low level of engagement with ethical standards by those in Parliament.

More information about this report can be found in paragraphs 35 to 37 of the Annual Report.

### *2.5 Local Government Standards*

The Committee has maintained a watching brief of the standards regime in local government. It is concerned that local government is now largely self-regulated with no systematic approach to conduct issues and limited sanctions. There remains a significant risk under these arrangements that inappropriate conduct by Local Authority members will not be dealt with effectively, eroding public confidence and trust in local government. The Committee has called upon the Local Government Association to continue to use its peer challenge process to offer sector led improvement in this area.

As part of the research for the report, the Committee conducted a survey of local councils' approach to induction and training. A very high proportion of councils cover their code of conduct and the Seven Principles of Public Life in induction for newly elected councillors and a high proportion of all councillors were familiar with the Principles.

Because of the Committee's continuing concerns about the changes to the standards regime for local authorities, it will continue to monitor provision of induction programmes and the profile of standards, conduct and ethical behaviour within those programmes.

The Committee has also recommended that public sector procurement processes should take account of ethical issues as part of delivering value for money in the broadest sense as local government spends over a quarter of its annual expenditure procuring goods and services from third party providers.

More information about this report can be found in paragraphs 43 to 49 of the Annual Report.

### **3 Results of consultation undertaken**

- 3.1 There has been no consultation as there is no proposal to implement at this stage which would require a consultation.

### **4. Timetable for implementing this decision**

- 4.1 Not Applicable

### **5. Comments from Executive Director, Resources**

#### **5.1 Financial implications**

There are no specific financial implications arising from the recommendations within this report.

#### **5.2 Legal implications**

The Council's current standards regime complies fully with the Localism Act 2011. However, the implications of the Annual Report are that the Ethics Committee may wish to continue to monitor how the Code of Conduct is operating at local level.

### **6. Other implications**

None

#### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

Not applicable.

#### **6.2 How is risk being managed?**

There is no direct risk to the organisation as a result of the contents of this report, but the Ethics Committee may wish to consider the wider impact of the damage to public confidence in the elected membership of the Council if the ethical standards framework is not perceived as transparent and effective.

#### **6.3 What is the impact on the organisation?**

There is no immediate impact on the organisation.

**6.4 Equalities / EIA**

There are no public sector equality duties which are of relevance at this stage.

**6.5 Implications for (or impact on) the environment**

None

**6.6 Implications for partner organisations?**

None

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Chris West	Executive Director, Resources	Resources	10/12/14	11/12/14

This report is published on the council's website: [www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

**Extracts from the Committee on Standards in Public Life: Annual Report 2013-14**

**Strengthening Transparency around Lobbying**

6. The Committee published its Lobbying report in November 2013. We applied the Nolan principles to lobbying and considered how best the lobbied and lobbyists could live out those principles. In doing so we recognised that lobbying is a legitimate and potentially beneficial activity and necessary for effective policy formulation, and that free and open access to government is essential. But, lobbying must be carried out transparently and ethically.

7. We concluded that a package of measures was urgently required to deliver a greater culture of openness and transparency around lobbying; provide greater clarity for public office holders on the standards expected of them; and to reassure the public that a more ethical approach to lobbying is actively being applied by all those individuals and organisations involved in lobbying.

8. Recommendations included:

- more timely and detailed disclosure about all significant meetings and hospitality involving external attempts to influence a public policy decision;
- disclosure arrangements widened to cover special advisers and senior civil servants as well as Ministers, Permanent Secretaries and Departmental Boards;
- public office holders who are outside the scope of the Freedom of Information Act (including Members of Parliament, Peers and Councillors) should be encouraged to disclose the same information and consideration should be given to including this in relevant Codes of Conduct;
- extending the lobbying rules to former Members of the House for two years in respect of approaches to Ministers, other Members or public officials; and require former Members to register for two years any occupation or employment which involves them or their employer in contact with Ministers, other Members or public officials;
- consideration to be given to Chairs of Select Committee having additional restrictions in relation to conflicts of interests and explicit provision that Members should not accept any but the most insignificant or incidental gift, benefit or hospitality or payments from professional lobbyists.

9. We welcome the steps taken by the House of Lords to address the recommendations in our report. The House of Lords Privileges and Conduct Committee proposed amendments to the Code of Conduct and the Guide to the Code in March 2014 and May 2014 which were subsequently approved by the House of Lords. These amendments included incorporating the revised descriptors of the Seven Principles of Public Life into the House of Lords Code of Conduct, introducing a statement of principle on how to deal with lobbyists, lowering the threshold for registering gifts, benefits and hospitality to Members from third parties from £500 to £140 and introducing a new Code of Conduct for Members' Staff with requirements to register interests in parliamentary lobbying and abstain from lobbying or using access to Parliament to further outside interests in return for a payment or other reward.



10. The House of Commons Committee on Standards consulted in January 2014 on interests of committee chairs, in response in part to one of our recommendations that invited consideration of whether chairmanship of a Select Committee brings with a particular influence on matters of public policy that justifies the imposition of additional restrictions in relation to conflicts of interest. Both the Speaker of the House of Commons and the Parliamentary Commissioner of Standards have raised similar questions. Despite the consultation concluding in March, no report from the Committee has been forthcoming. This is disappointing particularly given that the House of Commons has not yet found time to debate proposals put forward by the previous Parliamentary Commissioner for Standards and the Committee on Standards for changes to the current rules, which this Committee supported and which addressed some of the recommendations of the Group of States against Corruption (GRECO), in relation to lobbying.

11. Many of the recommendations in our report were for Government and related to transparency of information about lobbying activities and arrangements for the movement of office holders between the public and private sectors which raises the risk of potential conflicts of interest. During our review the Government introduced the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill which proposed a register of consultant lobbyists. We considered that the narrow definition of “consultant lobbyists” would significantly limit the Bill’s potential to enhance transparency around lobbying. We note that the Members of Parliament of all parties, like the respondents to our review, were severely critical of the Bill’s detail. The Political and Constitutional Reform Committee pre-legislative scrutiny report of the Government’s proposals for a statutory register of lobbyists considered that regardless of any such register, changes could be made to improve transparency about who is lobbying whom, through enhanced disclosure of Ministerial meeting.

12. In the course of the parliamentary debate, in response to such criticism, Lord Wallace of Tankerness made a government commitment to make further improvements to the accessibility of government transparency information. This included ensuring:

*“greater co-ordination of the publication of data sets so that all returns within a quarter can be found on one page.....we ought to get better at the speediness with which we make this information available.....”*

*We will also ensure greater consistency in the content of departmental reporting, particularly on including the subject of meetings. Finally, we will ensure that the gov.uk transparency pages contain a link to the statutory register of lobbyists so that the data can be easily cross-referenced. The practical implications of those improvements are that: rather than having to visit a number of different sites or pages, all information will be accessed via one easily located page of gov.uk; the consistency of those data will be improved so that the transparency reports can be more easily located via search functions; and the subject of the meetings will be set out more helpfully.”*

13. This commitment addresses some of the criticisms by this Committee in our report around accessibility of transparency information but does not go as far as our recommendation 5 which we considered would provide sufficient transparency and accountability to enable effective public scrutiny of lobbying. We also note that the Government is committed to publishing transparency data quarterly, or at any time in the following quarter. Notwithstanding this all of the data published in 2013 was published late. The Government therefore has some way to go to meet its commitment to Parliament.

14. The Government has also recently revised the Business Appointment Rules which apply to Former Ministers and Crown servants namely civil servants (including special advisers) and members of the Diplomatic Service, Intelligence Agencies and Armed Forces before they accept any new appointment or employment after leaving their role. We welcome the greater clarity in the rules around the definition of lobbying and the practical application of a lobbying ban but note that the rules have reverted to the pre-2010 position whereby only applications from the most senior special advisers are referred to the Advisory Committee on Business Appointments (“ACOBA”). Whilst this Committee has argued for a risk based approach to application of the rules, we do not think seniority is necessarily the only risk factor and the nature of the role of special advisor as a conduit of access to the Minister, in our view necessitates the referral of all applications to ACOBA.

15. The Committee also notes that the revised rules will require Departments to publish information in broad terms about the advice they give to applicants in the senior civil servants whose applications are not dealt with by ACOBA. This Committee called for the publication of consistent summary information by Departments on all cases they consider. It is the Cabinet Office’s responsibility to provide assurance of Department’s compliance with the Rules and we will maintain an interest in Departmental performance and transparency in this respect.

16. We are disappointed that given the increased use of interchange through secondments, loans and career breaks to move in and out of the public sector organisations, the Government has not accepted our recommendation for Departments and their Agencies, for transparency and public confidence reasons, to publish on an annual basis the number of secondments and interchanges in and out of their organisation.

### **Public Perceptions Survey**

17. In September 2013 the Committee published the fifth and latest survey of public attitudes towards conduct in public life, a series which started in 2004. It is a unique long term, independent study and source of information about what the public think about standards in public life in the UK. The research focussed on three main issues:

- To establish what the public sees as acceptable and unacceptable behaviour on the part of holders of public office;
- To assess how far the public believes that the behaviour of holders of public office is, for the most part, acceptable or unacceptable;
- To assess how far the public believes that holders of public office are effectively held responsible and accountable for their conduct.

18. Over the lifetime of the survey, there has been a continuous and substantial decline in the percentage of respondents rating standards as “quite high” or “very high”, while the percentage of respondents rating standards as “quite poor” or “very poor” has steadily increased, showing a clear trend across this data. But this trend masks a deeper pattern that shows that in fact, prior to 2010 confidence was rising, and that it suffered a major decline in 2010 after the MPs’ expenses scandal, from which there is only marginal recovery in 2012.

19. In relation to Westminster MPs, the public share broadly a set of expectations that are in line with the seven principles of public life. However they have consistently low levels of confidence that MPs actually meet these standards. In the latest survey, pessimism was less marked than in 2010, but levels of confidence have not returned to their 2008 levels. Although absolute levels of confidence are low in particular types of national public office holders or professions such as Ministers, MPs and tabloid journalists, this should be contrasted with higher and rising confidence in institutions and in processes and in those administering the process – so for example, as in most countries that have low and falling levels of confidence in politicians, there is, paradoxically, a higher confidence in national institutions such as Parliament and much higher confidence in the legal system.

20. In addition, responses to new questions in the 2012 survey indicate people's widespread belief that they will receive fair treatment from a range of front line public services. A large majority of respondents thought they would be treated fairly by doctors, police officers, judges, and local planning bodies. Responses suggested that members of the public have more confidence in the probity of relatively junior front line staff - in terms of putting the public interest first, owning up to making mistakes, and being held accountable for mistakes - than in that of more senior managers. They also expressed more confidence in the probity of public sector employees than in those in the semi-public or private sectors.

21. Our most recent survey explored, amongst other things, which measures for ensuring good standards of conduct in public life elicit the most public support. The questions were informed by a common distinction drawn between 'compliance-based' and 'integrity-based' behaviour: that is, between good behaviour resulting from a well-designed and systematically enforced external set of rules, and good behaviour that is internally driven and the result of strong ethical character. Respondents were asked to choose up to three policies they thought important in ensuring probity in large public and private organisations.

22. Findings suggest that members of the public favour adopting elements from **both** the compliance and integrity models in ensuring public probity. They do not endorse internal self-regulation or a culture of financial incentives for those doing a job (26% for large public sector organisations and 22% for private sector). They do favour senior managers setting a good example, (38% for large public sector organisations and 51% for private sector) and training people in a code of conduct (63% for large public sector organisations and 60% for private sector), but they also want protection for 'whistleblowing' and external regulators for organisations (whether public or private sector). Encouraging a culture where people are not afraid to report wrongdoing (66% for large public sector organisations and 53% for private sector) was seen as particularly important for promoting probity.

23. The responses of different groups of respondents - as distinguished by trust in public office holders, perceptions of standards, party-political preferences, social grade, ethnicity, age and gender - were compared to see if there were any clear differences found in how various segments of the public think that probity should be promoted. In fact, none of these comparisons yielded significant differences.

24. There is therefore very wide agreement in all segments of the British general public about the ways in which probity in both the public and the private sector can be promoted. In that shared view, the ways seen as most important are the promotion of a culture in which people are not

afraid to report wrongdoing, the use of codes of proper conduct in which office holders and staff are trained, and the setting of a good example by senior managers or office holders.

25. The evidence from this long term study suggests that public attitudes are broadly stable, that they respond to events and their reporting, and that they can become more negative or more positive. This suggests that the public's perceptions of standards in public life can be repaired as well as damaged. The data also gave us a picture of groups who are most likely to feel most sceptical. This was particularly the case for those from lower social grades, from white-British or white-Irish background, middle aged or older and who have little engagement with the political system. The growth in the size of this group presents a challenge to all those involved in public life.

26. The Committee recognises it is important to place these findings in a wider context and so commissioned some further research on assessing the results from our British survey compared with other European countries, to see if results are potentially motivated by domestic factors or reflect citizen's attitudes across western democracies. This research was published in March 2014 and it shows that the UK public's decline in perceptions of standards in public life is part of a broader trend across Western democracies. The research also finds that British citizens' assessments of standards in public life are not unusual and they are rarely the most cynical. In fact British citizens' perceptions and experiences of corruption are lower than those in most other European countries.

27. Both sets of research however illustrate as a reminder to public authorities and office holders that public perceptions of standards in public life have political consequences. Events and the response to them they play a part in informing citizens' views of standards, probity and trust.

28. Whilst this research was the final biennial survey of its type, the Committee continues to believe it is important to test public perceptions of standards issues and will continue to undertake such research, as appropriate, in its ongoing work.

### **Ethical Standards for providers of public services**

29. The Committee's terms of reference were clarified last year so that its remit to examine standards of conduct of all holders of public office encompassed all those involved in the delivery of public services. As public services are increasingly being delivered by those outside the public sector, the Committee decided to test the expectation and assurance of ethical standards in the public service market. The Committee commissioned new independent research with members of the public, commissioners and providers of public services. We also spoke to individuals and organisations with current experience of commissioning and providing public services to understand their expectations of the ethical principles and standards expected of public services. The Committee's report *Ethical Standards for Providers of Public Services* and accompanying research was published in June 2014.

30. On the basis of our research, we can be confident that:

- the public want common ethical standards across all provider types regardless of sector, supported by a code of conduct;
- "how" the service is delivered is as important to the public as "what" is delivered;

- public and stakeholder views of what should constitute ethical standards are broadly in line with the Seven Principles of Public Life;
- commissioners expect providers to conform to ethical standards but rarely explicitly articulate this;
- commissioners want guidance on how to embed ethical standards in the commissioning and procurement process.

31. For the Committee this is an issue of accountability. The public needs to be reassured that the standards it expects are being delivered by providers, Government must be capable of assuring the public that ethical standards are part of service delivery standards and business (as the CBI has recently acknowledged) needs to recognise that a cultural shift is required in its approach to the public service market, in order to meet the public's legitimate expectations and to build public trust.

32. It was evident from our research that there are currently no consistent structures or arrangements in place to promote actively an ethical culture and behaviours in the public service market. The Committee therefore recommended that ethical standards need to be proportionately addressed within existing contractual and monitoring arrangements, as part of the process for securing the regularity and propriety of public services.

33. The Government believes that the Seven Principles of Public Life, the basis of the ethical standards framework for those operating in the public sector, has application to all those delivering public services whether they are public sector providers or third-party providers from the private or voluntary sector. As a consequence, using the evidence base from the review and building on existing mechanisms, we set out in the report a high level framework required to support these ethical standards and provide the necessary assurance

34. We have received considerable interest in our report and its recommendations from business organisations, commissioners and providers and we intend to follow this up with further discussions with a view to developing practical measures to help ensure high ethical standards are met.

### **Ethics in Practice**

35. In July 2014, the Committee published *Ethics in Practice: Promoting Ethical Conduct in Public Life*, a short report which looked at the role of induction processes in embedding ethical standards in public life. The project looked at works in terms of building an ethical culture through induction, education and training, captured examples of best practice, and identified areas where more needs to be done or where previous progress may be at risk.

36. After looking across a range of public, private and voluntary sector organisations, we concluded that induction is key to ensuring that all public office holders are aware of the standards expected of them. Ethical standards need to be included in the induction arrangements for all those public life. For many of those in public life, this message has already been heard and understood. For some, however, more clearly needs to be done to embed ethical standards. The Committee was particularly concerned at the low level of engagement with ethical standards evidenced by those in Parliament.

37. Our report called for more of an obvious demonstration of leadership in relationship to ethical standards from those in the Westminster Parliament, both elected and appointed. We called for MPs, parties and the House Authorities to develop a meaningful and credible induction and professional development programme that builds an awareness and understanding of ethical standards – both principles and rules - that meets the needs of MPs and Lords and the expectations of the public.

### **Local government standards**

43. The Committee has continued this year to maintain a watching brief of the standards regimes in local government and the changes resulting from The Localism Act 2011 implemented in 2012. Having emphasised at the time the need for a mandatory code of conduct, strong local leadership, and effective independent persons and expressed concern at the lack of sanctions, the Committee also recognised the need to allow new arrangements to bed down.

44. The survey carried out by Local Government Lawyer on the implementation of the Localism Act 2011, suggests indications are that the role of the independent person has been generally well received and there is some evidence that the number of vexatious complaints is falling. However, the effectiveness of the sanctions regime for non-adherence to Local Authority codes of conduct, which apart from criminal prosecution, provides only for censure or suspension from a particular committee or committees, remains an issue of concern. We are aware that there have been recent individual cases that illustrate this, in particular the lack of a sanction to suspend councillors who have seriously breached the code of conduct.

45. In contrast to the recent public debate on parliamentary standards calling for greater sanctions, tightening of codes of conduct, and a greater independent element, local government is now largely self-regulated with no systematic approach to conduct issues and limited sanctions. There remains in our view a significant risk under these arrangements that inappropriate conduct by Local Authority members will not be dealt with effectively, eroding public confidence and trust in local government. We call upon the Local Government Association to support strong long leadership and continue to use its peer challenge process to offer sector led improvement in this area as we believe the LGA has a major responsibility to provide the leadership and peer support across the sector to ensure that all councils and councillors live up to the public's expectations of high standards of ethical behaviour in those whom they elect.

46. As part of the research for the Committee's *Ethics in Practice* report, we conducted a snapshot survey of Local Authorities' approach to induction and training. The Committee sent an electronic questionnaire to Local Authority Monitoring Officers in England, asking them to circulate it further to elected members. We received over 130 responses from Monitoring Officers and elected members.

47. The Committee was extremely pleased to learn that 90% of those who responded to the survey stated that their Local Authority provided an induction programme for newly elected councillors. Coverage and awareness of the Seven Principles of Public Life in local government was also pleasingly high, with 68% of respondents saying their induction covered the Seven Principles of Public Life, 88% saying it covered their Code of Conduct and 83% of respondents saying that councillors at their Local Authority were familiar or fairly familiar with the Seven Principles of Public Life.

48. Despite these positive results, however, the Committee remains alert to the challenges to ethical standards arising from financial constraints and changes to the Local Authority standards regime. The Committee will therefore continue to monitor provision of Local Authority induction programmes and the profile of standards, conduct and ethical behaviour within those programmes by repeating this survey in 2015.

49. More generally, we have provided evidence to the Communities and Local Government Select Committee inquiry on local government procurement, highlighting our belief that public sector procurement processes should take account of ethical issues as part of delivering value for money in the broadest sense. Our report *Ethical standards of third party providers of public services* considered the ethical principles and standards that the public and commissioners of services have of those delivering public services and the necessary safeguards to ensure those principles and standards are met, is directly relevant to local government who spends over a quarter of its annual expenditure on procuring goods and services from third party providers.