

Committee on Standards in Public Life

Annual report of the Committee on Standards in Public Life 2006



Chairman: Sir Alistair Graham

The Seven Principles of Public Life

Selflessness

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.



The Committee on Standards in Public Life

Back Row (l-r) Rita Donaghy CBE, Dr Elizabeth Vallance JP,
Rt Hon Alun Michael JP MP, Dame Patricia Hodgson DBE

Front Row (l-r) Baroness Maddock, Sir Alistair Graham (Chairman), Lloyd Clarke QPM

The following members were unable to be present when the above photograph was taken:



Dr Brian Woods-Scawen DL



Professor Dame Hazel Genn DBE



The Rt Hon Baroness Shephard of Northwold JP DL

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The Rt Hon the Baron Nolan of Brasted (Lord Nolan)

September 10, 1928 – January 22, 2007

First Chairman of the Committee on Standards in Public Life 1994-1997

On learning of the sad news of the death of Lord Nolan on Monday 22nd January the Chair of the Committee, Sir Alistair Graham, issued the following statement on behalf of the Committee:

'It was with great sadness that I learned of Lord Nolan's death. He was the Committee's first and founding Chairman when it was established in 1994. He was responsible for establishing the key principles of independence, taking evidence in public, and freedom to choose subjects of inquiry, which are still central to the Committee's work today. The three reports published by the Committee under his Chairmanship made a significant impact upon standards of conduct in British Public Life and continue to have relevance today. His legacy includes important institutions such as the Commissioner for Parliamentary Standards and the Commissioner for Public Appointments in addition to the seven principles of public life. On behalf of the Committee, past and present, I would like to pay tribute to his outstanding public service and to extend our deepest sympathy to his wife Lady Margaret and all his family.'

FOREWORD BY SIR ALISTAIR GRAHAM, CHAIRMAN OF THE COMMITTEE

This is my final report as Chairman as my three year term of office comes to an end on 25th April 2007. It has been both a privilege and an honour to act as the fourth Chairman of the Committee on Standards in Public Life, the national standing advisory Committee which has played such an important role in putting ethical standards issues at the heart of British public life over the last thirteen years.

In looking back over my three years I believe the Committee has continued to make a significant impact through the adoption of its practicable solutions in specific policy areas of public concern. The Committee's Tenth Report is leading to a major reform of the ethical framework for local government; events have led to the adoption of some, but not all, of its Ninth Report recommendations on the Ministerial Code; and the recommendations in our latest Eleventh Report on the Electoral Commission, have been widely endorsed, and I am confident that the majority will be adopted. In addition the Committee has added significantly to the body of research evidence through publication in 2004 of the first national quantitative survey into public attitudes towards conduct in public life. This was followed by the second survey in 2006, which, thanks to the Scottish Executive and Northern Ireland Administration, also included disaggregated information on the public's views in Scotland and Northern Ireland. The survey will be repeated every two years so that, critically, the public's views can be tracked over time and hopefully with the support of all the devolved administrations.

However, and perhaps inevitably, I am more conscious of the areas where we have failed to make progress, rather than the successes. My greatest regret has been the apparent failure to persuade the Government to place high ethical standards at the heart of its thinking and, most importantly, behaviour. This is despite many of the promising measures, such as the Freedom of Information Act and legislation on political party funding, brought in during this Government's first term.

As a result, I believe, we have seen a loss of trust by the public in ministers and politicians as a class, highlighted by the Committee's surveys of public attitudes, among others.

The restoration of trust between public and politicians and the political process is now a central issue of political debate. As I have argued during my term I believe that this is fundamentally an issue of culture; the culture within which our political class operates. Members of all parties need to show leadership in their behaviour and truthfulness in their public statements. Of course politics involves a central tension between the power of leadership in making uncomfortable decisions in the national interest and seeking to respond to the aspirations of the voting public. However, culture is critically dependent on the behaviour of leaders. All the available research shows that it is better for leaders of organisations to say nothing at all about ethical behaviour, than to make bold statements and then fail to follow these through in their subsequent actions and decisions. There is an important lesson here, I believe, for the Government.

The Committee has nevertheless recognised that we are now in transition to a new government following the Prime Minister's announcement that he will stand down some time later this year. I have briefed senior politicians of all parties about the Committee's current thinking about how a new government might start to create a more trusting atmosphere around politicians and the political process. One issue in particular, and on which I have made statements throughout my term, can set a new tone of seriousness about ethical standards – that is radical changes to the Ministerial Code of Conduct. Such radical changes should, in my view, include:

- a short and simple principles based Code of Conduct which gives Ministers clear guidance on their expected behaviour and helps trigger the taking of expert advice when uncertain;

- associated procedural rules for private offices. Ministers would only become involved if and when they overruled or ignored advice based on such rules;
- expert independent advice on Ministers' private interests provided to Ministers on appointment. After complying with any advice, confirmation that any interests had been satisfactorily dealt with, and a summary of those interests, would be made public;
- an independent assessment of allegations of ministerial misconduct to determine whether an investigation is warranted;
- independent investigation of the facts about an allegation without removing the Prime Minister's ultimate responsibility for deciding the consequences of any breach of the Code; and
- proportionality of both investigation and sanction. We must move away from the situation where the only possible outcomes are either complete clearance on any allegation or dismissal for any breach of the Code. This is neither credible with the public nor is it fair to Ministers.

There are three other issues I would highlight as worthy of the early attention of an incoming Prime Minister.

First, the system of expenses and allowances for Members of Parliament are attracting too much attention for the good of the body politic and have the potential for a corrosive effect on public perceptions of MPs. My concern, and one that I believe many others share, is not that the rules are being broken, but that the rules themselves are less rigorous and transparent than those that apply for all other public office-holders, and indeed private sector employees.

Second, I am concerned that there remains complacency about the vulnerability of our electoral system for electoral fraud. This has been brought into sharp relief by problems caused by postal voting on demand and the Government's insistence on pursuing pilots of internet and telephone voting in this May's elections. Such concerns can be addressed by the adoption of the Committee's recommendation to introduce a new system of individual voter registration, based on an objective personal identifier. This would replace the Victorian system of "head of household" registration which is both anachronistic in today's modern world

of personal responsibility and equality, and one that is wide open to electoral fraud. To ensure an orderly and fair transition to the new system the Committee has recommended that the main Political Parties should start discussions now in order to reach agreement on the precise form of the new system and legislation developed to implement it immediately following the next General Election; and

Third, the long awaited introduction of a Civil Service Act to ensure the maintenance of the fundamental principles underpinning the Civil Service. Legislation itself is no panacea, for this or any other issue. Conduct is about individual behaviour which in itself is affected by organisational culture and values. However a Civil Service Act would provide a clear and explicit basis to guide the behaviour of Civil Servants, and indeed Ministers and Special Advisers, to fulfil their proper and important constitutional roles within the Executive. This has been a long-standing recommendation of the Committee. All political parties now agree on the principle of an Act. What is now needed is the political will.

Such early actions of a new Prime Minister would set a critically important tone for the future, but must not be a substitute for a sustained commitment to high standards of conduct through the behaviour, actions and decisions of those in the administration.

Finally, I wish to pay particular thanks to all the members of the Committee for their hard work and support during the past three years and in the face of the inevitable criticisms the Committee's work attracts.

I have been fortunate in the quality of support in the two Secretaries to the Committee during my term. Both Rob Behrens and more recently Richard Jarvis have been outstanding public servants giving the Committee and myself first class support. The Committee has a tiny staff who punch well above their weight. They do a wonderful job and I am grateful for all their hard work.



Alistair Graham

OVERVIEW OF ACTIVITIES

This section presents an overview of our main activities during 2006. The Committee held ten regular meetings, including its first ever open meeting on 9 March 2006, and 12 sessions of public hearings in London, Belfast, Cardiff and Edinburgh as part of its Eleventh Inquiry – the Committee’s main activity during 2006.

Eleventh Report: Review of the Electoral Commission

The report

Following the publication of an Issues and Questions Paper on 11 February 2006 setting out the principal areas on which it intended to focus, and public hearings between June and October 2006, the Committee published its Eleventh report¹ on 18 January 2007.

The Electoral Commission was established as an independent body on 30 November 2000 following the recommendations of this Committee’s Fifth Report, *The Funding of Political Parties in the United Kingdom*, and the subsequent commencement of the Political Parties, Elections and Referendums Act 2000.

The mandate of the Electoral Commission has an impact on key issues such as electoral administration, the conduct of elections and standards of propriety in financing political parties. Each of these issues has been the subject of recent public concern, and each affects the way individuals engage in the political process and the broader question of political legitimacy.

For these reasons the Committee believed it was important to ask whether the Electoral Commission’s current mandate, governance arrangements and accountability framework were appropriate for the purpose required of the Commission.

The inquiry took place against a backdrop of continuing public concerns about:

- the arrangements for voter registration;
- postal voting on demand and the link to a number of high-profile legal cases on electoral fraud; and
- allegedly circumventory loans to political parties with allegations that these were connected to the awarding of honours.

These concerns directly relate to two pillars of our democratic society that were constantly referred to during the inquiry and which ultimately formed the principles upon which the Committee’s recommendations were based:

- Free, fair and secure elections ensuring that everyone who is entitled to vote is included on the electoral register and that they can vote in secret; everyone not entitled to vote is excluded from the register and from voting; and determining electoral boundaries in a fair way.
- Healthy, competitive political parties are essential to democracy. A regulatory framework is required for the funding of political parties to eradicate any grounds for criticism and suspicion which leads to public scepticism, and damages the political process.

The Eleventh Report contained 47 recommendations.

On the mandate of the Electoral Commission the Committee made a number of recommendations.

- The Commission’s current mandate as set out in PPERA should be amended and refocused so that it has two principal statutory duties: as regulator of political party funding and campaign expenditure; and as regulator of electoral administration.

¹ *Eleventh Report of the Committee on Standards in Public Life: Review of the Electoral Commission January 2007 (Cm 7006)*

- PPERA should be amended to make it clear that the Electoral Commission has a duty to investigate proactively allegations or suspicions of failures to comply with the regulatory framework.
- The post of regional electoral officers should be established in statute with responsibility for monitoring and reporting on the performance standards of local authorities in their regions.
- The Electoral Commission should monitor and report on performance standards for electoral administration, the conduct of elections and minimising electoral fraud.
- The Electoral Commission should no longer have any involvement on electoral boundary matters.
- There is a strong case for the current legislation, in relation to the conduct of parliamentary boundary work, to be reviewed and where necessary amended before the commencement of the sixth general review due around 2012. This review should not be undertaken by the Electoral Commission.
- The Electoral Commission should no longer have the wider statutory duty to encourage participation in the democratic process.
- The Electoral Commission should no longer have a role in undertaking policy development in relation to electoral legislation.

On governance arrangements the Committee recommended:

- The current ban on employees at the Commission who have been politically active over the previous ten years should be reduced to one year. For senior management and regional electoral officers the length of the ban should be reduced to five years.
- The current restrictions on who may become a commissioner should be revised for four commissioner appointments to enable the recruitment of individuals with recent political experience. New commissioners should be appointed as individual members of a unitary board, not as representatives or delegates of a particular political party.

In relation to the Electoral Commission's accountability arrangements the Committee recommended:

- There should be an annual debate in Parliament on the work of the Electoral Commission. It might be helpful if this followed the Commission's annual report on the standards of electoral administration in the United Kingdom.

The Committee's recommendations on the integrity of the electoral system included:

- A decision should be made and legislation developed to implement a system of individual registration immediately following the next general election or by 2010 at the latest.
- Any agreed system of individual registration should include at least one objective personal identifier such as the National Insurance number.

An effective Electoral Commission is a necessary and vital part of the modern institutional architecture. Its core duties should be as a regulator to ensure integrity and public confidence in the electoral process and the framework that governs political party funding and campaign expenditure. Through a combination of deficiencies in its current mandate – which is too weak in some areas and too broad in others – combined with a lack of courage, competence and leadership in its current regulatory and advisory approach, the Commission has not successfully performed its core duties. This has contributed to a loss of confidence by the public and political parties in the integrity of both the electoral process, and in political party funding and campaign expenditure. As to the former, the Commission should have shown greater focus and courage in highlighting the risk to the integrity of the system from legislative changes, principally postal voting on demand. On the latter, its passive approach has led to regulatory failure on the issue of loans to political parties.

The inquiry process

The work of the Committee is evidence-based. Conclusions are reached and recommendations are made on the basis of an analysis of the evidence received and generated during an inquiry. All the evidence for the Eleventh Inquiry is publicly available and came from three main sources:

- written submissions;
- public hearings; and
- specifically commissioned research.

A small group of Committee members also visited Canada and the United States to learn about the mandate, governance and accountability of comparable institutions. Members of the Committee also visited a number of electoral registration officers.

The Committee would like to thank all those who gave evidence. We were fortunate to receive evidence from a wide range of well-informed witnesses whose experience and insights proved extremely valuable.

Response to the Eleventh Report

The Committee is expecting official responses to the report from the Government, the Electoral Commission and the Speaker's Committee.

Follow-up to the Tenth Report: The Ethical Standards Framework for Local Government

Chapter three of the Committee's Tenth Report², published in January 2005, recommended changes to the legislative framework for ethical standards in local government. The main proposals were for:

- a move to **locally-based arrangements** for the initial handling, investigation and determination of complaints by existing local standards committees for all but the most serious cases of alleged misconduct;
- a strengthening of the **independent composition** of local standards committees in preparation for their new role of complaint handling from 2007;
- changes to the **Code of Conduct** to make it more accessible to councillors and the public; to remove unnecessary restrictions on councillors representing their constituents; and to make a clearer distinction between private and official conduct; and

- that taken together these would enable the Standards Board for England to transform into a **strategic regulator** of the ethical framework.

The Government³ and the Standards Board for England responded positively to the majority of the Committee's proposals and significant progress towards their implementation occurred in 2006 with the publication of the Local Government White Paper on 26 October 2006 and the subsequent introduction of the Local Government and Public Involvement in Health Bill on the 12 December 2006. The Bill is currently being considered by a Public Bill Committee (Standing Committee) in the House of Commons. In particular the Bill seeks to implement the locally-based conduct regime and strengthen the independence of local standards committees. On 22 January 2007, the Government then published a revised Model Code of Conduct for Local Authority Members⁴ for consultation alongside the Bill. This is based upon the recommendations put forward by the Standards Board for England following their extensive consultation in 2005, which itself took account of the Committee's Tenth Report recommendations. At the time of drafting this Annual Report the Committee is considering the detailed provisions of both the Bill and revised Model Code of Conduct and will be submitting its comments to the Government and Public Bill Committee shortly. The Committee's response will be published on our website.

The Committee welcomes the overall approach that the Government and Standards Board for England are now taking to the ethical framework for local government. It continues to believe that a more proportionate and locally-based approach to ethical standards in local government will help embed high standards of conduct in individual authorities and increase the public's trust in their locally elected representatives.

Research into public attitudes towards standards of conduct in public life

The Committee continued work on the long-term research project, initiated in 2001, to establish a benchmark of public opinions about standards of conduct in public life.

² Tenth Report of the Committee on Standards in Public Life: *Getting the Balance Right Implementing Standards of Conduct in Public Life*, January 2005 (Cm 6407).

³ The Government's Response to the Tenth Report of the Committee on Standards in Public Life, Cabinet Office December 2005, Cm 6723.

⁴ Consultation on Amendments to the Model Code of Conduct for Local Authority Members, Department of Communities and Local Government, 22 January 2007.

Publication of the second national survey of public attitudes towards conduct in public life 2005/06

On 15 September 2006 the Committee published⁵ the results of its second national quantitative survey of public attitudes towards conduct in public life. The survey was carried out by Ipsos/MORI, after a competitive tender and it followed the first survey⁶, published in 2004, which was the first of its kind to explore public attitudes, expectations and perceptions of behaviour in public life. The publication of the 2005-06 survey was the first opportunity to track any changes in the public's expectation and perceptions over time.

A major addition to the 2005-06 survey was the support of the Scottish Executive and Northern Ireland Administration to increase the size of the survey sample to allow public attitudes in Scotland and Northern Ireland to be disaggregated from those in the rest of the UK. This enabled a comparison of the public's views on standards of conduct in public life in Scotland and Northern Ireland with those in the UK as a whole. The inclusion of Northern Ireland also ensured full UK coverage of the survey for the first time. The result is a survey that is rich in comparative data. We hope that this UK-wide approach, with disaggregated results for its constituent parts, can be continued for future surveys and, for the third survey, possibly extended to include disaggregated information from the public in Wales.

The second survey broadly confirmed the finding of the first: that although the public is moderately positive about standards of conduct overall, they hold some negative perceptions about the behaviour of national politicians and, to a lesser extent, senior public officials. These are views also broadly shared by the public in Scotland and Northern Ireland, albeit with some interesting differences in some of the detail.

The public's perceptions about the extent to which national politicians fail to demonstrate some key behavioural attributes may help explain the low levels of trust the public continues to have in these public office-holders. It must be a matter of concern that levels of trust remain low and that, for example, Government Ministers now appear second from bottom in the list of professions people would generally trust to tell the truth.

A further possible cause for concern is the apparent shift in the proportion of people who, in 2004, were confident in the financial probity of MPs and Ministers, but who now say they are unsure. This is an area the Committee will wish to look at closely in the next survey to try to establish whether this is an early indication of a shift in the public's previously relatively high opinion of the financial probity of national politicians.

The Committee wishes to express its thanks again to the Scottish Executive and Northern Ireland Administration whose financial contributions enabled this survey to be conducted UK-wide.

Plans are already in train for the third biennial survey, where fieldwork should begin in late 2007 with publication of the results in September 2008.

Review of the Seven Principles of Public Life

The Seven Principles of Public Life were originally set out in the Committee's First Report in 1995 and form the basis (whether in original or amended form) for virtually all the Codes of Conduct for public office-holders, elected and appointed, in the UK. This provides some evidence that public office-holders find the principles useful.

The qualitative and quantitative national research commissioned by the Committee and published in 2002 and 2004 (and now 2006) demonstrated that the Seven Principles do broadly reflect the current views and priorities of the public. However, the language used to describe the Seven Principles is perceived (by the public) as somewhat arcane and inaccessible. In addition, the quantitative research in both 2004 and now 2006 indicates that the public places a high priority on a much broader definition of "honesty" than currently described by the Seven Principles.

The Committee therefore commissioned some exploratory qualitative research with members of the public to review the Seven Principles and their descriptions. In late 2005 we announced that, following a competitive tendering process, BMRB Social Research had been awarded the contract.

⁵ *Survey of public attitudes towards conduct in public life 2006* prepared by Ipsos MORI Research. The Committee on Standards in Public Life, September 2006.

⁶ *Survey of public attitudes towards conduct in public life* prepared by BMRB Social Research. The Committee on Standards in Public Life, September 2004.

The research study consisted of three stages: stages one and two explored the principles and their descriptions from the perspective of the public; stage three included consideration of the views of office-holders.

Three qualitative workshops with multiple groups were held as part of stage one and these took place in London, Belfast and Glasgow. The aim was to explore the descriptions accompanying the Seven Principles of Public Life looking specifically at public reactions to current and alternative descriptions developed for each principle.

Following stage one, where participants thought it was important for the public to be familiar with a refreshed version of the principles, the Committee decided to widen the participatory research to test out revised principles⁷. A revised set of draft principles and descriptions were developed and these were explored as part of stage two which encompassed six extended focus groups.

To provide a more rounded understanding, the revised set of principles and their descriptions were then considered from the perspective of office-holders as part of stage three of the study. Data was collected using standard focus groups and seven groups were conducted in total. Office-holders from a range of positions were involved, including elected and non-elected individuals.

BMRB presented a draft of their report on all three phases of the research at the end of 2006. At the time of writing this report the Committee is considering how best to take forward this review.

Research Advisory Board

In order to assist the Committee and the researchers, an Advisory Board was appointed in 2001 and has been involved in all the key milestones of the research programme which led to the publication of the results of the first survey in September 2004.

The Advisory Board for the 2005/6 survey and the qualitative research into the Principles of Public Life was again chaired by Dame Hazel Genn DBE, Professor of Socio-Legal Studies at University College London and member of the Committee. Other members were:

Professor Charlie Jeffery, Chair of Politics at Edinburgh University;

Jean Martin, former Director Social Analysis and Reporting Division, Office of National Statistics, now Senior Research Fellow Social Inequality and Survey Methods, Department of Sociology, University of Oxford; and

Dr Mark Philp, Fellow and Tutor in Politics, Oriol College, University of Oxford;

Peter Riddell⁸; Political Editor of *The Times*.

To reflect the involvement of Scotland and Northern Ireland in the repeat of survey, Kevin Moroso, Ethical Standards Manager from the Public Bodies and Relocation Division in the Scottish Executive and Neill Jackson, from the Machinery of Government Division, Office of the First Minister and Deputy First Minister in the Northern Ireland Administration, were also members of the Board. They advised on matters pertaining to their devolved administrations.

Frank Stacey Memorial Lecture

The Chairman of the Committee was honoured to give the Frank Stacey Memorial Lecture at the annual Public Administration Committee (PAC) Conference on Monday 4 September 2006 at Durham University. The PAC is a Committee of the Joint University Council and the body which represents UK public administration and management academics. The annual lecture is given in memory of the academic Frank Stacey, best known for his influential work on the development of the Ombudsman system to provide justice and fairness for citizens in their dealings with the State.

The lecture, which was subsequently published in *Public Policy and Administration*⁹ and is reproduced in full in appendix 8.

⁷ Press Notice 177, 9 March 2006, Committee on Standards in public Life, available at www.public-standards.gov.uk

⁸ Peter Riddell does not receive any payment for his role on the Research Advisory Board.

⁹ Public Policy and Administration Volume 21, No. 4, winter 2006, Joint University Council.

STANDARDS IN PUBLIC LIFE DURING 2006 – ‘A STANDARDS CHECK’

When the then Prime Minister, the Rt Hon John Major, established the Committee on Standards in Public Life in October 1994, it was given wide terms of reference:

“To examine current concerns about standards of conduct of all holders of public office, including arrangements relating to financial and commercial activities, and make recommendations as to any changes in present arrangements which might be required to ensure the highest standards of propriety in public life.”¹⁰

The following month Mr Major said of the Committee:

“It is to act as a running authority of reference – almost you might say, an ethical workshop called in to do running repairs.”¹¹

This aspect of the Committee’s work was reaffirmed in 2000 as part of the Cabinet Office’s Quinquennial Review of the Committee, which concluded that there was a:

“...continuing need to monitor the ethical environment and to respond to issues of concern, which may arise.”¹²

To fulfil this role and in addition to its formal inquiries, reports and research into public attitudes, the Committee devotes time throughout the year to discussing current issues and concerns relating to standards in public life. These considerations may, and sometimes do, result in a full-scale inquiry. Even where no inquiry is conducted, these are regarded by the Committee as a useful check on current standards and the effectiveness, or otherwise, of the arrangements in place to ensure the highest standards of propriety in public life.

The Committee’s consideration of specific standards issues takes place within an overall appreciation of the level of trust in public office-holders. The evidence suggests that trust in public institutions has fallen over recent years. During the period covered by this report the Committee has sought to make its own contribution to rebuilding that trust through publication of the survey of public attitudes towards conduct in public life.

The issues considered by the Committee come from a wide range of sources, including correspondence received, debates in Parliament and issues raised by the media. Not all of these issues are about ‘current concerns’ with standards in public life. The Committee is equally interested to consider issues that demonstrate that arrangements already in place are working to ensure the highest standards of propriety in public life.

In this section a selection of issues from the last year provides a broad illustration of the practical operation of some of the arrangements for ensuring the highest standards of propriety in public life. This ‘standards check’ for 2006 is not, by definition, an exhaustive analysis.

The Committee will continue to repeat this ‘standards check’ in future annual reports to demonstrate how it is meeting the remit given in its terms of reference “to examine current concerns about standards of conduct of all holders of public office...” and as part of its role in meeting “a continuing need to monitor the ethical environment”.

¹⁰ Hansard (HC) 25 October 1994, col 758.

¹¹ Speech at the Lord Mayor’s Banquet, 14 November 1994.

¹² Report of the Quinquennial Review of the Committee on Standards in Public Life, Cabinet Office, January 2001.

STANDARDS ISSUE

The operation of the Ministerial Code

Source

A Code of Ethics and Procedural Guidance for Ministers, Cabinet Office, July 2005.

The Committee's interest

The Committee has had a long-standing interest in the content and operation of the Ministerial Code. In our Ninth Report¹³ in 2003 we made detailed recommendations designed to improve the handling of ministerial interests and the investigation of complaints about alleged breaches of the Ministerial Code, including:

- The appointment of an independent office-holder, called the Adviser on Ministerial Interests, to advise an incoming Minister on what arrangements to make to ensure that actual or perceived conflicts of interest do not arise between Ministers' public duties and their private interests, and to maintain a record of ministerial interests which Ministers would be required to disclose.
- At the beginning of each Parliament, the nomination by the Prime Minister of a panel of people of senior standing, after consultation with the leaders of the major opposition parties, to be available as individuals to investigate alleged breaches of the Ministerial Code, and report findings to the Prime Minister.

In its Response to the Committee's Ninth Report¹⁴ the Government had accepted the case for appointing an independent adviser on ministerial interests, though on different terms to those that the Committee proposed and, at the beginning of 2006, this had still to be implemented. The Government rejected the Committee's recommendation to appoint, at the beginning of each Parliament, individuals of senior standing to a panel to investigate alleged breaches of the Ministerial Code.

Subsequent experience of the handling of both ministerial interests and allegations of breaches of the Code reinforced the Committee's view that the Ninth Report recommendations remained relevant and we continued to press publicly for their adoption¹⁵. This was reinforced early in 2006 following the handling of complaints made against the Secretary of State

for Culture Media and Sport¹⁶. Following this episode the Prime Minister announced on 23 March 2006 the appointment of Sir John Bourn (Comptroller and Auditor General) as his Adviser on Ministerial Interests. The Committee welcomed this positive response by the Government noting that Sir John Bourn was a distinguished public servant of integrity with the requisite skills to act as Adviser¹⁷. However, the Committee made clear that it awaited the opportunity to consider the details about how the new arrangements will work against criteria of independence, openness and role clarity. This was re-iterated by the Chairman in evidence to the Public Administration Select Committee¹⁸. The Adviser's terms of reference, published in May¹⁹, did not clarify when an inquiry into an allegation would be undertaken or whether the results of any investigation would subsequently be made public. These became matters of controversy when allegations of a breach of the Ministerial Code were subsequently made against the Deputy Prime Minister and no investigation was undertaken by the Adviser.

As a result of the related allegation of a breach of the Code of Conduct for MPs the Parliamentary Commissioner for Standards did undertake an investigation. The subsequent report by the Standards and Privileges Committee²⁰, as well as addressing the specific allegation, also made a general recommendation that "the Prime Minister should consider introducing an independent element into the investigation of complaints of breaches of the Ministerial Code". Then in September 2006 the Public Administration Select Committee published a report²¹ which also recommended that an independent investigator mechanism should be introduced for alleged breaches of the Ministerial Code. The Government has yet to respond to either of these reports.

The Committee notes that we now have a situation where, in addition to the Committee on Standards in Public Life, two highly respected Select Committees have both recommended the establishment of an effective system for the independent investigation of alleged breaches of the Ministerial Code. The introduction of such a system, under which the Prime Minister would still take the final decisions, is long overdue and further delays can only lead to further erosion of public confidence in the way such allegations are handled. This is damaging both to the Government and to political life more generally.

¹³ Ninth Report of the Committee on Standards in Public Life: Defining the Boundaries within the Executive: Ministers, Special Advisers and the permanent Civil Service (Cm 5775), paras 5.9-44.

¹⁴ The Government's Response to the Ninth Report of the Committee on Standards in Public Life, September 2003 (Cm 5964).

¹⁵ See Committee on Standards in Public Life Annual Report 2005 for a full account.

¹⁶ Press Notice PN 176, 2 March 2006 and is available from www.public-standards.gov.uk

¹⁷ Press notice PN 178 23 March 2006 and available from www.public-standards.gov.uk

¹⁸ Corrected Transcript of Oral Evidence taken before Public Administration Select Committee Ethics and Standards Thursday 27 April 2006.

¹⁹ Cabinet Office, May 2006.

²⁰ House of Commons Committee on Standards and Privileges Thirteenth Report of Session 2005-06, HC 1553.

²¹ The Ministerial Code: the case for independent investigation, Public Administration Select Committee, 6 September 2006, HC 1457.

STANDARDS ISSUE

New Civil Service Code

Source

Civil Service Code, Cabinet Office, June 2006.

The Committee's interest

The Committee has also had a long-standing interest in the Civil Service Code and in its Ninth Report²² essentially recommended that the key principles in the Code be put on a statutory footing in a Civil Service Act and the Code itself be made as regulation under such an Act. In its response to the Ninth Report²³ the Government undertook to consult on such a draft Bill, a commitment that was fulfilled during 2005. As yet no statement has been made by Government on the outcome of the consultation and no legislation has been introduced²⁴.

The Civil Service Code was first introduced in 1996 and based on a draft provided by the Treasury and Civil Service Select Committee, the predecessor to the Public Administration Select Committee. Although amended in 1999 to take account of devolution it had essentially changed little since its initial introduction. The Code is incorporated into the Civil Service Management Code, making its provisions part of the terms and conditions of all civil servants.

On 26 January 2006 the Cabinet Secretary and First Civil Service Commissioner launched a consultation on a new Civil Service Code. This resulted from the work of a small group of Civil Service Commissioners and Permanent Secretaries. The aim of the new Code, whose text is very different from the previous one and written in more everyday language, was to provide an accessible, high level summary of the core values and behaviours which are common to all civil servants.

The Committee responded to the consultation²⁵ welcoming the approach taken. In particular it welcomed:

- clear and simple descriptions of what the principles of integrity, honesty, objectivity and impartiality mean if you are a civil servant;
- a broader definition of honesty, that includes being truthful;

- a clear explanation of “political impartiality” as a specific duty of civil servants and as a sub-set of impartiality more generally;
- an explicit reference to the Public Interest Disclosure Act 1998, in the context of civil servants’ raising concerns under the Code; and
- providing for the Civil Service Commissioners to consider taking a complaint (under the Code) directly from a civil servant.

However, the Committee also noted that there were some important constitutional issues currently covered by the Civil Service Code whose omission from the new draft Code would have meant that (in the absence of a Civil Service Act) they would not be reflected anywhere in the current legal framework. In particular:

- the constitutional position of the Civil Service and of civil servants as servants of the Crown;
- the accountability of civil servants to Parliament through Ministers; and
- an explanation of what happens when a civil servant has exhausted the process set out in the Code (for raising ethical concerns) and is still unhappy about the matter.

An impressive 2,150 responses to the consultation were received and a final version of the new Civil Service Code was launched on 6 June 2006²⁶. The Committee was pleased to note that its principal concerns about omissions from the draft had been addressed, and is grateful for the careful consideration given to its response. Since publication 365,000 hard copies of the new Code have been requested.

The Committee continues to maintain the view that the Code should be put on a statutory footing through a Civil Service Act, but equally welcomes the new Civil Service Code as a significant improvement on the previous version. It should be a precursor to a programme of active promotion of its underpinning principles throughout the Civil Service.

²² See footnote 12.

²³ See footnote 13.

²⁴ See Committee on Standards in Public Life Annual Report 2005 for a full account.

²⁵ Letter from the Chairman to the Cabinet Secretary, 20 April 2006, and available from www.public-standards.gov.uk

²⁶ Civil Service Code, is available from the Cabinet Office, www.civilservice.gov.uk/civilservicecode

STANDARDS ISSUE

The system of allowances and expenses for Members of Parliament

Source

The Senior Salaries Review Board's (SSRB) current triennial review of parliamentary pay and allowances initiated by the Prime Minister in July 2006.

The Committee's interest

The publication of Members of Parliament's use of the allowance and expenses system of the House of Commons has attracted significant press and public interest. The Committee has discussed this issue on a number of occasions during the last year because any allegations made that members claim excessive levels of allowance can damage the trust in which the public holds Parliament, politicians and public office-holders in general.

This concern is separate from issues that relate to the misuse of the allowance and expenses system in respect of the rules that govern the system. Such misuse is an explicit breach of the MPs Code of Conduct, and the system for dealing with such breaches has²⁷ worked well and continues to do so. The Committee's concern – and one that we believe concerns others – relates to the system itself, particularly the potential difficulties in publicly distinguishing between salary and allowances and the perception that the rules that apply to MPs for seeking reimbursement for justified expenditure are less rigorous than those for all other public office-holders, and indeed private sector employees.

The Committee therefore welcomes the opportunity that the current SSRB review offers to clarify the basis and boundaries of the allowance and expenses regime. It is hoped that the review will help build public confidence and a perception of equity with others in the arrangements for MPs. The Committee notes that both the Chairman of the Committee on Standards and Privileges and the Parliamentary Commissioner for Standards have submitted evidence to the SSRB²⁸ reflecting some of these concerns. We await the outcome of this before considering whether further work, perhaps by this Committee may be appropriate.

STANDARDS ISSUE

Lobbying and All-Party Parliamentary Groups (APPGs)

Source

House of Commons Standards and Privileges Committee: Ninth Report 2005-06, Lobbying and All-Party Groups. HC 1145.

The Committee's interest

An article in *The Times* on 13 January 2006 and follow-up media comment suggested that there might have been some breaches of the rules laid down by the House on the appropriate registration of the financial support received by all-party parliamentary groups (APPGs), particularly support from organisations with a perceived interest in the particular APPG's subject matter. Subsequently, a formal complaint was submitted by the editor of *The Times*, with supporting evidence, to Sir Philip Mawer, the Parliamentary Commissioner for Standards, who began an investigation.

Following *The Times* article, the Committee, while recognising that responsibility for investigating complaints on this issue lay with Sir Philip Mawer, felt that it was possible that the investigation might raise some issues about the rules themselves that the Committee on Standards and Privileges would wish to consider²⁹.

The Committee's starting point was the Sixth Report "Reinforcing Standards" published in 2000 where it concluded that there was not any major cause for concern over standards in the operation of APPGs and that they appeared to work effectively and to the benefit of MPs and Peers. As a result, the Committee did not consider it necessary to recommend any new structures for funding or organisation, or for any new regulations. The Committee did however recommend that the Register of APPGs (including details and sources of financial support) should be placed on the Internet (which was done) and that the question of ease of public access to information about APPGs be kept under review by both Houses.

²⁷ See Committee on Standards in Public Life Annual Report 2005.

²⁸ Chairman of the Committee on Standards and Privileges evidence to SSRB 21 November 2006, Parliamentary Commissioner for Standards evidence to SSRB 23 November 2006, HC 330.

²⁹ Letter from the Chair of the Committee to Sir George Young MP, 24 January 2006 and available at www.public-standards.co.uk

The issue of immediate concern following *The Times* article was clearly whether these existing rules on financial disclosure have been complied with, and how in future the rules might be enforced. However, the Committee also raised the issue of whether APPGs should also be required to declare details and sources of funding in their published reports and press notices. Such a change would be relatively simple for the APPGs to comply with and would counter some of the criticisms made in *The Times* article about a perceived lack of transparency between APPG reports and their sources of funding.

The Standards and Privileges Committee's published their subsequent report on Lobbying and All-Party Groups on 25 May 2006 and, while dealing with the specific complaints, also widened consideration into a more general review of the rules that apply to APPGs. On these issues, the Standards and Privileges Committee undertook to consult more widely on proposals put forward by the Parliamentary Commissioner. The Committee was pleased to note³⁰ that the suggestion that all publications produced by APPGs should be required to carry details of relevant clients or sponsors has also been recommended by Sir Philip. In the Committee's view this, combined with the other measures identified by Sir Philip to increase and improve the transparency of APPGs' funding and secretariat support represented a proportionate response to the problems identified in *The Times*' investigations. The Committee continues to hope that, in light of comments received on the report, the Standards and Privileges Committee will adopt all of Sir Philip's recommendations.

STANDARDS ISSUE

Loans for peerages

Source

House of Lord's Appointment's Commission

The Committee's interest

One of the recommendations in the Committee's Fifth Report which was accepted by the Government was that all donations to political parties over £5,000 should be publicly disclosed. However, the Political Parties, Elections and Referendums Act 2000 allowed donations made on commercial terms over £5,000 to be exempt from the transparency regime.

The issue of loans to political parties was first raised publicly in *The Times* on 21 April 2005, just before the general election. The Conservative Party was reported to have secured a number of multi-million pound loans from various individuals to help fund its election campaign.

A former member of the Committee, Lord Goodhart QC, Liberal Democrat Shadow Lord Chancellor was quoted in the same article as questioning whether the political parties were circumventing the rules on transparency.

Nothing was subsequently heard about this issue until March 2006 when the House of Lords Appointments Commission rejected several nominations for life peerages made by the Prime Minister. It was subsequently revealed that the individuals had loaned large amounts of money to the Labour Party before the 2005 general election. This aroused suspicion that peerages were being sold for cash donations. The Scottish Nationalist MP Angus MacNeil referred the case to the Metropolitan Police to inquire whether there had been a breach of the law in selling peerages.

Once the police investigation started it became clear that the issues under investigation had widened to include possible breaches of the Political Parties, Elections and Referendums Act 2000 in relation to whether the loans made to the political parties were on commercial terms.

As the police investigation is still ongoing the Committee has not taken a public position on the central issue. However, in the Eleventh Report the Committee was critical of the role of the Electoral Commission as the regulator. We noted that political parties have a responsibility not just to comply with the letter of the regulatory framework but also with the spirit of transparency that underpins it. The regulatory framework was established to help eradicate grounds for suspicions and criticism about the way they are funded; it was agreed by all parties and passed by a Parliament made up of representatives of all parties. Public scepticism is justified if parties are subsequently seen to avoid or circumvent the principle of transparency.

Whatever the ultimate conclusion of this long-running saga, it is only too apparent that the issues raised have further undermined public trust in the political class and that is very worrying indeed.

³⁰ Letter from the Chair of the Committee to Dr Christopher Ward, Clerk to the Committee on Standards and Privileges, 8 August 2006 and available at www.public-standards.co.uk

STANDARDS ISSUE

Electoral fraud

Source

The growing incidents and perception of electoral fraud related to abuses in postal voting.

The Committee's interest

The perceived wisdom over many years in Great Britain was that electoral fraud was virtually non-existent. Elections were seen as free, fair and secure. However, evidence received by the Committee during the Eleventh Inquiry suggests that since the introduction of postal voting on demand in 2001 there has been a growing perception and evidence that the electoral system is more susceptible to organised electoral fraud.

The perennial difficulty with identifying levels of fraud is that, if successful, it goes undetected. However, the evidence received by the Committee suggests that the current systems in place in Great Britain for identifying fraud are not particularly effective. These problems arise mainly because of the issue of trust. Information received on completed electoral registration forms are taken at face value as being accurate, and virtually no checks are carried out at polling stations to verify a voter's identity.

As far as the Committee is aware information about the extent of electoral fraud is not collected centrally by the Electoral Commission or any other body. In the Eleventh Report a table of electoral fraud cases and investigations since 2000 was included for illustrative purposes. This gave examples of 20 cases throughout the country where individuals had been prosecuted for electoral fraud or where investigations were ongoing.

Over the last year the Government has made a number of changes to the law through the Electoral Administration Act in an attempt to combat electoral fraud. These include:

- the creation of two new elections offences to provide stronger deterrents against electoral fraud. These are for supplying false information or failing to supply information to the electoral registration officer and for falsely applying for an absent vote;
- signatures and dates of birth to be provided on postal vote applications and postal vote statement;

- the introduction of a marked register of postal votes received similar to that currently used for polling station voters; and
- revises to the offence of undue influence.

The Committee welcomes these changes but is concerned that they do not go far enough, particularly in countering the weaknesses in the registration process where fraudsters can very easily put false names on the register without being detected.

The Committee recommended in the Eleventh Report that the Electoral Commission should undertake detailed research into the scale of electoral fraud in the United Kingdom

The Committee will continue to press for robust measures to be put in place, similar to those in Northern Ireland which have been shown to be effective in combating electoral fraud and the perception of electoral fraud.

STANDARDS ISSUE

Electoral registration

Source

Evidence received by the Committee during the Eleventh Inquiry.

The Committee's interest

The system of electoral registration is probably the most critical element of the electoral administration process and underpins the most fundamental principles and therefore legitimacy of the United Kingdom's democratic processes. An electoral registration system serves to ensure:

- that the right to vote is available to those individuals who are eligible and choose to exercise it;
- that it is a personal right so that the vote is owned by the eligible person on the register, and no-one else; and
- there can only be one vote cast per person.

It is essential, therefore, that the electoral register and the system of electoral registration retain the trust and confidence of both the electorate and political parties.

During the Eleventh Inquiry concerns were raised about the integrity of the current registration system in Great Britain. Many of the individuals who gave evidence to the inquiry were concerned that large numbers of eligible voters were not registering and that up to 3.5 million eligible individuals were not registered. Another major concern was the accuracy of the register. It is important in retaining confidence in the fairness and security of the democratic process that the register only represents those individuals who are eligible to vote.

Currently the United Kingdom has a combination of household and individual registration in Great Britain and individual registration only in Northern Ireland. This difference arises because the Government, following growing concern about the perceived level of electoral malpractice in Northern Ireland, introduced a number of anti-fraud measures including individual registration in the Electoral Fraud (Northern Ireland) Act 2002.

The Electoral Commission has been in favour of introducing individual registration to Great Britain since it published *Voting for Change* in 2003. When the Government announced that it was not including individual registration in the Electoral Administration Bill, the Electoral Commission made clear publicly that it disagreed with the Government and that individual registration should be included in the Bill. It was pressure from the House of Lords during the passage of the Bill that resulted in an amendment to bring in individual registration that was accepted in the Commons. The Government's view was that, while it accepted the approach in principle, it was not the time to introduce it because Northern Ireland experience indicated that it would in all probability lead to a substantial diminution in the numbers who register. The House of Lords dropped its amendment after the Government decided to accept an amendment to improve anti-fraud measures for postal voting in Great Britain by introducing personal identifiers.

The Committee's own position on the rightness of individual registration follows close consideration of what the registration system is there to achieve and how this approach fits the purpose. The Government has made it clear that it expects the electoral register to be as comprehensive and accurate as possible – a commonly agreed objective. So the key question is whether we can achieve this goal

through the current system or whether individual registration will increase the comprehensiveness and accuracy of the register.

Household registration has produced – when all the electoral registers in Great Britain are compared – an average figure of around 91 per cent of eligible adults registered. However, this figure masks wide discrepancies between local authority areas. The important structural problem with household registration is the difficulty of determining levels of accuracy. This is because the system relies on trusting the accuracy and comprehensiveness of the information provided by the one person in the household who completes and signs the form.

Individual registration would produce – as demonstrated in Northern Ireland – a much more accurate register because individuals have to engage personally in the registration process. There are of course, concerns that on introduction there will be an initial fall in the numbers registered, as happened in Northern Ireland. This has been particularly levered as an argument by those opposed to the introduction of individual registration.

The Committee believes that as there is agreement among all the main political parties that on principle individual registration is the right way forward, now is the time to reach agreement on its introduction. A possible way forward is to introduce individual registration immediately following the next general election. This would give the parties time to reach a consensus on the principles of the new system and the practicalities of implementation.

The Committee takes the view that individual registration is the right way forward because in a democratic society eligible individuals should take personal responsibility for registering just as they have to apply personally for other public and private services. The register will also reflect more accurately those individuals who are entitled to be registered and greater accuracy will help to restore integrity to the registration process. If combined with other measures similar to that introduced in Northern Ireland individual registration should also help to minimise the risk of electoral fraud.

STANDARDS ISSUE

Decision to discontinue a Serious Fraud Office (SFO) investigation into the affairs of BAe Systems plc.

Source

SFO statement of 14 December 2006.

The Committee's interest

Since its establishment in 1994, the Committee has responded positively to requests from the Foreign Office, other government departments and NGOs, to explain and promote overseas the UK's approach to standards of conduct in public life and, in particular, to the prevention of bribery and corruption. This year, for example, the Chair gave a seminar in Poland on Ethics in Parliamentary Work (which has, in part, led to the adoption in the Polish Parliament of a variant of the Seven Principles of Public Life) and the Secretary to the Committee acted as an expert evaluator for the Council of Europe's Groups of States against Corruption (USA and Turkey). The Committee has found that the UK has a high international reputation in such matters and many other countries wish to learn from our experience.

The Committee therefore noted with interest the recent statement by the SFO concerning their decision to discontinue the investigation into the affairs of BAe Systems plc as far as they relate to the Al Yamamah defence contract. At the same time the Attorney General also made a statement to the House of Lords on this matter³¹. In these statements it was made clear that the decision to discontinue the investigation was made following representations by the Prime Minister and Foreign and Defence Secretaries concerning the need to safeguard national and international security, and was necessary to "balance the need to maintain the rule of law against the wider public interest".

This announcement created a substantial amount of negative media and public comment, not least because of an apparent conflict with the UK's acceptance, and entry into force of, the OECD Anti-Bribery Convention. The OECD Working Group on Bribery has subsequently said³²:

"The Working Group has serious concerns as to whether the [BAE] decision was consistent with the OECD Anti-Bribery Convention and will discuss further the issue in March 2007, in the context of the United Kingdom written report on its implementation of recommendations set out in the 2005 Phase 2 examination report on its enforcement and application in practice of the OECD Convention. The Working Group will then consider appropriate action."

Without wishing to comment on the substance of the case (which, in any event, it would be impossible to do without further details) the Committee is concerned about the overall negative impact this has had on the UK's international reputation for upholding the highest standards of conduct in public life, and the subsequent effectiveness of work to eradicate corruption in other parts of the world. Such a positive reputation has taken many years to establish and, as with broader areas of trust, may take some time to re-establish.

³¹ House of Lords 14th December 2006.

³² OECD Working Group on Bribery held in Paris on 16-18 January 2007.

APPENDIX 1

ABOUT THE COMMITTEE

Terms of reference

The Committee on Standards in Public Life was established, under the chairmanship of the Rt Hon Lord Nolan, by the then Prime Minister, the Rt Hon John Major, in October 1994, with the following terms of reference:

“To examine current concerns about standards of conduct of all holders of public office, including arrangements relating to financial and commercial activities, and make recommendations as to any changes in present arrangements which might be required to ensure the highest standards of propriety in public life”.

The term “public life” includes: Ministers, civil servants and advisers; Members of Parliament and UK Members of the European Parliament; members and senior officers of all NDPBs and of NHS bodies; non-ministerial office-holders; members and other senior officers of other bodies discharging publicly-funded functions; and elected members and senior officers of local authorities.

On 12 November 1997 the Prime Minister announced additional terms of reference:

“To review issues in relation to the funding of political parties, and to make recommendations as to any changes in present arrangements.”

The current Chairman is Sir Alistair Graham.

Other members of the Committee are Lloyd Clarke QPM, Rita Donaghy CBE, Professor Dame Hazel Genn DBE, Dame Patricia Hodgson DBE, Baroness Maddock, The Rt Hon Alun Michael JP MP, The Rt Hon Baroness Shephard DL, Dr Elizabeth Vallance JP, Dr Brian Woods-Scawen DL. The Committee is supported by a small secretariat of five civil servants.

Status

The Committee is an independent advisory Non-Departmental Public Body (NDPB). Its members are appointed by the Prime Minister for renewable periods of up to three years. Seven of its members, including the Chair, are appointed by the Prime Minister through open competition and under the rules of the Office of the Commissioner for Public Appointments. Three of the members are appointed by nomination from each of the three main political parties. The Committee is not founded in statute and has no legal powers, either to compel witnesses to provide evidence or to enforce its recommendations. In particular it has no powers to investigate individual allegations of misconduct.

Method of working

Since its creation the Committee has produced eleven major studies. It established its method of working early on:

- publishing a consultation paper setting out the issues and questions it believes are of specific importance;
- where appropriate commissioning research to support evidence-based inquiry;
- inviting written submissions based on the issues and questions paper;
- holding informal meetings with practitioners and experts;
- organising formal hearings open to the public and media, at which the issues are explored in detail;
- publishing a report containing conclusions; and
- making recommendations supported by a complete record of written and oral evidence and any associated papers.

When it began its work, the Committee agreed that its public hearings should be open to radio and television as well as written media. Agreement was reached with the broadcasters to enable them to have a presence at the hearings in a way that kept disturbance to witnesses to a minimum.

Written evidence received for our first four reports have been deposited in the Public Records Offices of England, Scotland, Wales and Northern Ireland; for subsequent reports written evidence is published on a CD-ROM as part of the report. Committee practice is now to also publish written evidence and transcripts on its website as its inquiry proceeds.

Policy on openness

As an integral part of its first report the Committee defined and endorsed the Seven Principles of Public Life, which have since been adopted widely – either in response to specific recommendations from this Committee or as a matter of best practice. Several of these principles, which have of course been incorporated into the Committee's own Code of Practice, are directly relevant to Freedom of Information policy (Leadership, Openness and Accountability). The Committee takes its public responsibilities extremely seriously, and throughout its existence has sought to implement its principles both in fact and in spirit. The Committee has always been as open as possible with its own information. It welcomes the move towards a wider culture of openness which the provision of publication schemes across all public bodies will encourage.

The Secretary of the Committee has responsibility for the operation and maintenance of our publication scheme under the Freedom of Information Act 2000. Day-to-day operation and maintenance of the scheme is undertaken by the Secretariat Manager; please see 'How to Contact Us'.

Funding and administration

The Committee is an independent advisory body which presents its recommendations direct to the Prime Minister. It receives its budget through the Cabinet Office, but day-to-day responsibility for financial controls and budgetary mechanisms are delegated to the

Secretary of the Committee. The Secretary and the rest of the team which make up the Secretariat (five staff) are permanent civil servants on loan or seconded from the Cabinet Office or other government departments. For this reason, some of the material which other public authorities are likely to include in their publication schemes on management and staffing issues may be found in the main Cabinet Office Publication Scheme <http://www.cabinetoffice.gov.uk/publicationscheme/>

Freedom of Information Act

Most of the information held by the Committee is readily available to everyone, and does not require a request under the FOIA to access it. Besides contacting the Committee in writing, by email (public@standards.x.gsi.gov.uk), by telephone or fax, the public can access information via the Commission's website at www.publicstandards.gov.uk and can request copies of publications promoted on the website. Details of how to do this are on the website. The Secretary to the Committee has overall responsibility for the publication scheme and for co-ordinating requests for information under the FOIA.

How to contact us

The Secretary to the Committee is Dr Richard Jarvis. He can be contacted in writing, by telephone or e-mail to:

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APPENDIX 2

MEMBERS OF THE COMMITTEE



Sir Alistair Graham – Chairman
(d.o.b 6 August 1942)

Appointed 1 October 2003 (Appointed Chair 26 April 2004). Term ends 25 April 2007

Sir Alistair was a Member of the Committee from 1 October 2003 to 26 April 2004 when he was appointed Chairman. He was Chair of the Police Complaints Authority until 31 March 2004 and is also Chairman of the British Transport Police Authority. He is a non-executive director of the Information Commission, a Member of the Employment Appeals Tribunal and a member of the Fitness to Practice Committee of the General Optical Council. He is also Chair of ICSTIS (The Independent Committee for the Supervision of Standards of Telephone Information Services).

Sir Alistair was educated at the Royal Grammar School, Newcastle upon Tyne. He is a Fellow of the Institute of Personnel Development and the Institute of Training and Development. He has been a visiting Fellow of Nuffield College, Oxford (1984-1991). He has an honorary Doctorate from the Open University. He was knighted in the Millennium Honours List for services to the Parades Commission for Northern Ireland.

Sir Alistair has had a long and varied career in public service. Between 1966 and 1986 he worked for the Civil and Public Services Association as Assistant Secretary, Assistant General Secretary and General Secretary. His next post was as Chief Executive of the Industrial Society (now renamed 'The Work Foundation') between 1986-1991, after which he became Chief Executive of Calderdale and Kirklees Training and Enterprise Council (1991-1996), then of the Leeds Training and Enterprise Council (1996-2000). During this latter period he also served as Chairman of the Parades Commission for Northern Ireland (1997-2000).



Rita Donaghy CBE
(d.o.b 9 October 1944)

Appointed 1 March 2001. Term ended 29 February 2004. Re-appointed for 3 years. Term ended 28 February 2007. Extended for 6 months to 31 August 2007.

Chair of ACAS (Advisory, Conciliation and Arbitration Service) since October 2000. Formerly President of the TUC (Trades Union Congress) 1999-2000; Member of Low Pay Commission 1997-2000; Advisory Committee on Employment of People with Disabilities 1995-1997; Chair of the TUC Women's Committee 1997-2000; Member of European TUC Executive 1992-2000; Member of TUC General Council 1987-2000; Member of NALGO/UNISON National Executive Council 1973-2000; President of NALGO 1989-1990; Assistant Registrar, then Permanent Secretary of the Students' Union, Institute of Education, University of London 1968-2000. Graduated from Durham University.



Lloyd Clarke QPM
(d.o.b 2 July 1952)

Appointed 1 November 2004. Term ends 31 October 2007.

Lloyd Clarke was a career police officer and he was the Chief Executive and Chief Constable of the Ministry of Defence Police and Guarding Agency until he retired on 31 March 2005. His previous police career was with West Yorkshire Police where he was appointed Assistant Chief Constable in 1993 and where, as a chief officer, he led multi-force investigations into serious crime including homicide and rape, alleged police corruption and allegations of wrongdoing by locally elected officials and public servants.

Lloyd is a life member of the Association of Chief Police Officers (ACPO) and was a member of the Terrorism and Allied Matters Committee. He also sat as one of four chief officer members of the 'Guardian' group of forces, which oversees counter-terrorist measures for London. He was the Secretary to ACPO's Race and Community Relations sub-committee between 1996 and 1999. He has served on numerous Home Office committees including the Racial Incident Standing Committee and as a member of the Management Board of the Specialist Support Unit on Race and Community Relations.

Between 1997 and 2000 Lloyd was a board member of an independent Housing Association that provides more than 20,000 units for social housing throughout the north of England. He was re-appointed to Northern Counties Housing Association as a non-executive board member in 2005. Following his police career with the Ministry of Defence, Lloyd was appointed as a Senior Associate Fellow with the Defence Academy of the United Kingdom where he works with the Academy's Advanced Research and Assessment Group.

Lloyd Clarke holds a Master of Arts Degree in Peace Studies from Bradford University and was awarded the Queen's Police Medal for distinguished police service in the 1999 New Years Honours List.



Professor Dame Hazel Genn DBE
(d.o.b 17 March 1949)

Appointed 1 October 2003. Term ended 30 September 2006. Re-appointed for 3 years. Term ends 30 September 2009.

Hazel Genn is Professor of Socio-Legal Studies in the Faculty of Laws at University College, London, where she is also an honorary Fellow. She previously held a Chair and was Head of the Department of Law at Queen Mary and Westfield College, University of London. Before joining London University in 1985, she held full-time research posts at Oxford University Centre for Socio-Legal Studies (1974-1985) and the Cambridge Institute of Criminology (1972-74). Professor Genn holds degrees from the Universities of London and Hull, and honorary Doctorates from Edinburgh and Kingston Universities. She has been a Fellow of the

British Academy since 2000, a member of its Council 2001-2004 and was Vice-President 2002-2004. She was awarded a DBE in the Queen's Birthday Honours List in 2006 for her research on civil justice.

She has held many public appointments on bodies including the Economic and Social Research Council, the Judicial Studies Board, the Higher Education Funding Council and the Civil Justice Council. She has recently been appointed as an Inaugural Commissioner of the new Judicial Appointments Commission and is leading a Public Legal Education Strategy Task Force established by the Department for Constitutional Affairs. She chairs the Advisory Board for the attitudinal research commissioned by the Committee of Standards in Public Life.



Dame Patricia Hodgson DBE
(d.o.b 19 January 1947)

Appointed 1 January 2004. Term ended 31 December 2006. Appointment extended for six months to 30 June 2007 (subject to PASC recommendations).

Dame Patricia Hodgson DBE, is Principal-Elect of Newnham College, Cambridge, and takes up her position in August 2006. She is Chair of the Higher Education Regulation Review Group, a Governor of the Wellcome Trust, and a non-executive director of the Competition Commission and of GWR Group plc. She began her career as a producer and journalist and was a founder-member of the distance learning team at the Open University. She was Secretary of the BBC in the mid-eighties and Director of Policy & Planning from 1993-2000. She was Chief Executive of the Independent Television Commission from 2000-2004. She has served on the Monopolies and Mergers Commission, as a non-executive member of the London Arts Board and a Trustee of the Prince's Youth Business trust.

Dame Patricia was made a CBE in 1995 and DBE in the 2004 New Year Honours List, both for services to broadcasting.



Baroness Maddock
(d.o.b 19 May 1945)

Appointed 1 November 2003. Term ended 31 October 2006. Re-appointed for 3 years. Term ends 31 October 2009.

Diana Maddock has been a member of the House of Lords since 1997. She was Housing Spokesperson for the Liberal Democrats 1997-2005, and is a member of the Merits of Statutory Instruments Committee.

Diana's early career was in teaching. She taught in secondary schools in Southampton and at the Extramural department of Stockholm University.

Diana became involved in politics in the 1970's. She was a Southampton City Councillor from 1984-93. On the council she led the Liberal group and had particular interest in housing and energy conservation. She was the Member of Parliament for Christchurch from 1993-97. During that time she was spokesperson for the Liberal Democrats on housing, the family and womens' issues. She also successfully piloted a Private Members' Bill through Parliament which became The Home Energy Conservation Act 1995. From 1998-2000, Diana Maddock was Federal President of the Liberal Democrat Party.

Diana is President of the National Housing Forum, President of Micropower Council and President of the Anglo-Swedish Society. She is a Vice-President of the National Housing Federation, the National Home Improvement Council and National Energy Action. She is also a Trustee of Carbon Neutral North East, the Wessex Medical Trust and the Richard Newitt Trust.

Diana Maddock is a non-executive director of Utilicom Ltd.



Rt Hon Alun Michael JP MP
(d.o.b 22 August 1943)

Appointed 9 October 2006. Term ends 8 October 2009.

Rt Hon Alun Michael JP MP was first elected to Parliament for Cardiff South and Penarth in 1987 and was appointed Deputy Home Secretary in 1997. In 1998 he joined the Cabinet as Secretary of State for Wales, and was elected Leader of the Labour Party in Wales in 1999. He was then elected the Founding First Secretary (First Minister) of the National Assembly for Wales, resigning in 2000 and going back to the House of Commons. He returned to Government in 2001 as Minister of State for Rural Affairs and Local Environmental Quality, and went on to become Minister of State for Industry and the Regions until May 2006.



The Rt Hon Baroness Shephard of Northwold JP DL
(d.o.b 22 January 1940)

Appointed 1 November 2003. Term ended 31 October 2006. Re-appointed for 3 years. Term ends 31 October 2009.

Baroness Shephard was MP for South West Norfolk from 1987-2005. Before entering Parliament, she was an inspector of schools, worked in independent television and lectured for the WEA and the Cambridge University Extra-Mural Board. She was a Magistrate, a County Councillor, a Mental Health Act Commissioner, and Chairman of two Health Authorities.

Five years after entering the House of Commons Baroness Shephard was appointed to the Cabinet, where she served between 1992 and 1997 successively as Secretary of State for Employment, Minister of Agriculture, Secretary of State for Education, and Secretary of State for Education and Employment.

In Opposition Baroness Shephard has served as Shadow Leader of the House of Commons, and Shadow Secretary of State for the Environment, Transport and the Regions.

She is a past member of the Council of the University of Oxford and a Trustee of the Workers Education Association, Chairman of the Franco-British Society, a past member of the Franco-British Council, and an occasional Lecturer at Queen Mary and Westfield College. She is an Honorary Fellow of St Hilda's College, Oxford, and a Deputy Lieutenant of the County of Norfolk.

Baroness Shephard stood down at the 2005 election.

Baroness Shephard was created a life peer in June 2005.



Dr Elizabeth Vallance JP
(d.o.b. 8 April 1945)

Appointed 26 April 2004. Term ends 25 April 2007.

Dr Elizabeth Vallance was Head of the Department of Politics at Queen Mary & Westfield College, University of London, where she is now an Honorary Fellow. She holds Masters degrees from the University of St. Andrews and the London School of Economics and a doctorate from London University. She is also a Sloan Fellow of the London Business School. Dr Vallance continues her involvement with the University by chairing the Council of the Institute of Education, University of London.

Dr Vallance has a long association with the National Health Service having been Chairman of St George's Healthcare NHS Trust (1992-99) and served on the Council of St. George's Hospital Medical School and been Chairman of the Advisory Committee on Clinical Excellence Awards. She is now on the Council of the Medical Protection Society. She has served on the boards of HMV Group, Norwich Union plc, CGNU plc and Aviva plc and is currently Senior Independent Director of Charter European Trust plc. She sits as a presiding magistrate on the Inner London Bench.



Dr Brian Woods-Scawen DL
(d.o.b 2 November 1946)

Appointed 1 January 2004. Term ended 31 December 2006. Appointment extended for six months to 30 June 2007 (subject to PASC recommendations).

Brian Woods-Scawen is a Chartered Accountant and was a partner in PricewaterhouseCoopers from 1980 until 2003. He was Executive Chairman of the Midlands Region of PricewaterhouseCoopers from 1993 and a member of the Board of Coopers & Lybrand from 1993 until that firm's merger with Price Waterhouse in 1998. He was a member of PricewaterhouseCoopers Global Board until 2001 and a member of the Supervisory Board from 1998 until 2003 and Chairman from 2001.

Brian Woods-Scawen holds degrees from the Universities of Sheffield and Warwick and honorary doctorates from the Universities of Birmingham and Central England. He is a Fellow of the Institute of Chartered Accountants in England and Wales from whom he received a Lifetime Achievement Award in 2004, a Fellow of the Royal Society of Arts and a Deputy Lieutenant for the County of West Midlands.

Brian Woods-Scawen currently holds public appointments as Chairman of the West Midlands Regional Cultural Consortium and as an Independent Board Member of the Department of Trade and Industry. He was a Board member of Advantage West Midlands (the Regional Development Agency) from its formation in 1998 until 2003, Chairman of West Bromwich Building Society and Chairman of Coventry Solihull and Warwickshire Partnership.

Brian Woods-Scawen is a member of the Council of Warwick University and a member of the International Advisory Board of the European Research Institute at Birmingham University.

Members attendance in 2006

The table below shows the total number of meetings and hearings that each member could have attended and the number of meetings they actually attended.

Remuneration

Those Committee members who do not already receive a salary from public funds may claim £240 for each day they work on Committee business. Sir Alistair Graham may claim £440 a day spent on Committee business. All members are reimbursed for actual expenses incurred.

Code of Practice and Register of Interests

In accordance with the best practice recommended in its first report, and in line with the Government's proposal that all advisory NDPBs should adopt a board members' code, members of the Committee formally adopted a code of practice in March 1999. The code was readopted in June 2001, in May 2004 and again in January 2005. Members also provide details of their interests that might impinge on the work of the Committee. This is contained in the Committee's Register of Interests, which is available from the Committee or via the website. The Register of Interests is now a standing item on the agenda of all Committee meetings. The code of practice is shown below.

Code of Practice for members of the Committee on Standards in Public Life

Public service values

1. The members of the Committee on Standards in Public Life must at all times:
 - observe the highest standards of impartiality, integrity and objectivity in relation to the advice they provide and the management of this public body;
 - be accountable through the Prime Minister to Parliament and to the public more generally for the activities of the Committee and for the standard of advice it provides; and
 - in accordance with government policy on openness, comply fully with the Code of Practice on Access to Government Information.
2. The Prime Minister is answerable to Parliament for the policies and performance of the Committee, including the policy framework within which it operates.

	Possible meetings	Actual meetings	Possible Hearings	Actual Hearings
Sir Alistair Graham	10	10	12	12
Lloyd Clarke QPM	10	8	12	9
Rita Donaghy DBE	10	9	12	9
Professor Dame Hazel Genn DBE	10	6	12	3
Dame Patricia Hodgson DBE	10	8	12	7
Baroness Maddock	10	7	12	6
Rt Hon Alun Michael JP MP	3	3	0	0
Baroness Shephard of Northwold JP DL	10	8	12	4
Dr Elizabeth Vallance JP	10	8	12	11
Dr Brian Woods-Scawen DL	10	9	12	9

Standards in Public Life

3. All Committee members must:
- comply with this Code of Practice, and ensure that they understand their duties, rights and responsibilities, and that they are familiar with the function and role of the Committee and any relevant statements of government policy. New Committee members should be fully briefed on these issues by the Secretary;
 - not misuse information gained in the course of their public service for personal gain or for political purpose, nor seek to use the opportunity of public service to promote their private interests or those of connected persons, firms, businesses or other organisations; and
 - not hold any paid or high-profile unpaid office in a political party, and not engage in specific political activities on matters directly affecting the work of the Committee.

Role of Committee members

4. Members of the Committee have collective responsibility for its operation. They must:
- engage fully in collective consideration of the issues, taking account of the full range of relevant factors, including any guidance issued by the Prime Minister or a government department;
 - ensure that the Code of Practice on Access to Government Information (including prompt responses to public requests for information) is adhered to; agree an Annual Report; and, where practicable and appropriate, hold public meetings designed to elicit information from witnesses; and
 - regularly place information in the public domain about the Committee's activities.

5. Communications between the Committee and the Prime Minister will generally be through the Chair, except where the Committee has agreed that an individual member should act on its behalf. Nevertheless, any Committee member has the right to approach the Prime Minister on any matter which he or she believes raises important issues relating to his or her duties as a Committee member. In such cases the agreement of the rest of the Committee should normally be sought.
6. Individual Committee members can be removed from office by the Prime Minister if they fail to perform the duties required of them in line with the standards expected in public office.

The role of the Chair

7. The Chair has particular responsibility for providing effective leadership on the issues above. In addition, the Chair is responsible for:
- ensuring that the Committee meets at appropriate intervals, and that the minutes of meetings and reports to the Prime Minister accurately record the decisions taken and, where appropriate, the views of individual Committee members;
 - representing the views of the Committee to the general public; and
 - ensuring that new Committee members are briefed on appointment and providing an assessment of their performance to the Prime Minister, on request, when members are considered for reappointment to the Committee or for appointment to the board of some other public body.

Handling conflicts of interests

8. The purpose of these provisions is to avoid any danger of Committee members being influenced, or appearing to be influenced, by their private interests in the exercise of their public duties.

Register of Interests

9. All Committee members should register in the Committee's Register of Interests any private interest which might influence their judgement or which could be perceived (by a reasonable member of the public) to do so.
10. In particular, Committee members should register:
 - relevant personal direct and indirect pecuniary interests;
 - relevant direct and indirect pecuniary interests of close family members of which Committee members could reasonably be expected to be aware; and
 - relevant personal non-pecuniary interests, including those which arise from membership of clubs and other organisations.

In this paragraph "relevant" interest, whether pecuniary or non-pecuniary and whether direct or indirect, means any such interest which might influence the judgement of a Committee member or which could be perceived (by a reasonable member of the public) to influence his or her judgement in the exercise of his or her public duties; "indirect pecuniary interest" means an interest which arises from connection with bodies which have a direct pecuniary interest or from being a business partner of, or employed by, a person with such an interest.

11. The Register of Interests should be kept up to date and be open to public inspection.

Oral declaration of interests

12. An oral declaration of any relevant interest, as defined in paragraph 10 above, should be made at any Committee meeting if it relates specifically to a particular issue under consideration and should be recorded in the minutes of the meeting.

Withdrawal from meetings

13. If the outcome of any discussion at a Committee meeting could have a direct pecuniary effect on a Committee member, that member should not participate in the discussion or determination of matters in which he or she has such an interest and should withdraw from the meeting (even if held in public).

Personal liability of Committee members

14. Legal proceedings by a third party against individual Committee members of advisory bodies are very exceptional. A Committee member may be personally liable if he or she makes a fraudulent or negligent statement which results in a loss to a third party; or may commit a breach of confidence under common law or a criminal offence under insider dealing legislation, if he or she misuses information gained through their position. However, the Government has indicated that individual Committee members who have acted honestly, reasonably, in good faith and without negligence will not have to meet out of their own personal resources any personal civil liability which is incurred in execution or purported execution of their Committee functions. This includes the costs of defending proceedings. Committee members who need further advice should consult the Secretary in the first instance.

APPENDIX 3

COMMUNICATIONS

Listening and learning

The Committee is committed to a way of working that encourages the involvement of those with interest in its work. Its arrangements are as transparent as any in the public sector, and the Committee is determined to do as much as is reasonably possible to maintain and develop this transparency. The Committee

makes consultation papers and summaries of reports widely available by various means:

- publicising the consultation process on the Consultations pages of Directgov;
- publicising consultations by a press release; and
- making documents available free of charge on the Committee's website from the moment of publication, in a range of formats. They can be accessed at: www.public-standards.gov.uk.

Events and speaking engagements

Date	Organisation	Subject Matter	Attended by
12 January	Chairpersons' Forum Chief Executives' Forum Northern Ireland	Standards in Public Life – The Ethical Framework	Sir Alistair Graham
22 February	Ethics and Compliance Officers Association (ECO)	Ethical futures: Trust, Culture & Strategic Regulation	Sir Alistair Graham
8 March	Committee on Standards in Public Life Open Meeting Commonwealth Club	The Committee's work	The Committee
5 July	Liberal Democrat Peers House of Lords	The Committee's work	Sir Alistair Graham
12 July	Conservative Peers House of Lords	The Committee's work	Sir Alistair Graham
5 September	Public Administration Committee of the Joint University Council – Frank Stacey Memorial Lecture	Standards of Conduct in Public Life	Sir Alistair Graham
26 September	Scottish Council Foundation	The Committee's work	Sir Alistair Graham
27 September	Public Chairs' Forum	Do High Ethical Standards Impact Service Delivery?	Sir Alistair Graham
30 October	Magdalene College, Cambridge University	Problems of Standards in Public Life	Sir Alistair Graham
7 November	Audit Commission	Standards of Conduct in Public Life	Sir Alistair Graham
22 November	Better Governance Forum's Annual Conference	The work of the Committee	Dr Brian Woods-Scawen DL

International relations

Since the Committee was established it has gained a reputation as a leading international authority on ethical matters. The Chairman and senior members of the Secretariat receive many visitors from around the world and are often invited to attend conferences and seminars abroad to speak about the work of the Committee.

Overseas visits and speeches

Date	Organisation	Subject Matter	Attended by
13-15 March	National School of Government and Government of Anguilla	Overseas Territories Ethics and Integrity in Government	Sir Alistair Graham
6-12 May	Visit electoral dignitaries in Ottawa and Washington	Study tour of North America to assist with the Committee's 11th Inquiry into the UK Electoral Commission	Sir Alistair Graham, Baroness Shephard of Northwold DL, Dame Patricia Hodgson DBE, Dr Richard Jarvis, Gemma Craigan
29 June	Polish Ethics in Parliamentary Work	Ethical standards and codes of conduct for Members of Parliament and senior officials in the UK	Sir Alistair Graham
9 October	Council of Europe's Group of States Against Corruption (GRECO) evaluation report on the USA	Prevention of corruption in public administration	Dr Richard Jarvis
18 October	Turkish National Applied Ethics Conference	Public ethics administration and the prevention of corruption	Sir Alistair Graham
14-18 October	Foreign Office & British Embassy, Sofia, Bulgaria, and British Association for Central and Eastern Europe	The work of the Committee	Lloyd Clarke

Overseas visitors received by the Chairman and Secretariat

Date	Visiting Party	Hosted by
19 January	Seminar for Bulgarian Delegation	Robert Behrens
2 February	Chevening Fellows, Birmingham University	Robert Behrens
4 April	New Zealand State Service Commission	Robert Behrens
13 April	Australian Electoral Commission	Dr Richard Jarvis
3 May	Electoral Commission in Nigeria	Robert Behrens
9 November	Hon Bob McMullan MP (Australian Government)	Dr Richard Jarvis

APPENDIX 4

FINANCIAL REVIEW

Budgetary information

As an advisory Non-Departmental Public Body (NDPB), the Committee receives its delegated budget from the Cabinet Office. The Cabinet Office Accounting Officer has personal responsibility for the regularity and propriety of the Cabinet Office Vote. However, the responsibility for certain levels of authorisation, methods of control and day-to-day mechanisms have been delegated to Heads of Management Units (HMUs), effectively to the Secretary to the Committee. He is free to manage the allocation as he thinks best, to deliver the objectives agreed with the Cabinet Office and reproduced later in the Appendix.

The HMU is responsible for setting out clearly the outputs and outcomes, which the Committee plans to deliver with the resources for which he has delegated authority, and for reporting regularly on resource usage and success in delivering those plans. In particular, he must ensure that the Cabinet Office Resource Accounting System (CORAS) holds accurate forecasts of the planned expenditure and accurate records of the profiled delegated budgets and actual expenditure.

The HMU is also responsible for maintaining a sound system of internal control over the resources for which he has delegated authority, and for providing the accounting officer with assurances that those controls are effective. This means that the HMU must ensure that:

- value for money is demonstrated in delivering planned outputs and outcomes;
- risks to the successful delivery of the plans, or to the management of resources according to the required standards of regularity and propriety, are identified and managed;

- departmental requirements, and any additional requirements which may apply – including both financial and non-financial (e.g. health & safety, and security) requirements, are met;
- assets are safeguarded;
- Cabinet Office Financial Management Division is notified of all losses, special payments, loans or gifts. Irregularities include frauds, or breaches of the provisions of *Government Accounting* or the Cabinet Office *Finance Manual*, or the laws and regulations within which the Cabinet Office operates; and
- all those in the team who manage resources are aware of their responsibilities, have clear, written delegations of authority and have the necessary knowledge and skills to carry out their responsibilities.

The HMU is required to provide an assurance statement to the accounting officer stating that there is an effective system of internal control operating within the management unit during the whole of the relevant period. In the Cabinet Office, the requirement is to provide two statements each year.

Payment performance

The Committee is committed to complying with HM Treasury's guidance on measuring and targeting performance in the paying of invoices. The Committee's policy is to pay bills in accordance with the terms of the relevant contract or within 30 days of receipt of a valid invoice. The 30 days are measured from the date at which the invoice was received into the office.

In 2005-06, the Committee settled 96% of all suppliers' invoices within the specified time.

TABLE 1	2005-06	2006-07**
Total Allocation	573,566.00*	577,000.00
Staff Costs	330,995.00	333,980.00
Other running costs	188,750.00	243,020.00
Capital	0.00	0.00
Income	-42,000.00	0.00
Total Gross Expenditure	477,745.00	577,000.00
Receipts	0.00	0.00
Total Net Expenditure	477,745.00	577,000.00
Outturn +/-	95,821.00*	

* This figure included £107,000 for 2005-06 public attitudes survey. In the event approx cost of £50,000 for this survey fell into the 2006-07 financial year
** Financial year ends March 2007. These figures are therefore provisional but at this time we forecast the outturn to be within budget allocation, subject to the survey costs noted in the above note

TABLE 2	Total number of invoices	Total not paid on time	Number paid on time	% paid on time
2006-07	140*	6	134	96%
2005-06	81	0	81	100%
2004-05	175	0	175	100%
2003-04	104	0	104	100%
2002-03	209	0	209	100%
2001-02	196	0	196	100%
2000-01	239	0	239	100%
1999-00	226	1	225	99.56%
1998-99	266	9	257	96.62%

* From 1 January 2006 to 31 December 2006

APPENDIX 5

STANDARDS OF SERVICE TO THE PUBLIC

A standard for public enquiries

As well as responses to the consultation paper on the Eleventh Inquiry: *Review of the Electoral Commission*, the Committee receives correspondence on a range of issues from Members of Parliament, Members of the House of Lords, academics, other organisations, and the general public.

We are publicly committed to achieving and maintaining target levels in 2005-06, of responding to 95 per cent of public correspondence (letters, faxes and emails) within 15 working days.

In 2005-06, we responded to 97 per cent of correspondence within 15 working days, against a target level of 92 per cent.

We aim to provide an efficient and effective service for our correspondents. Most of the queries we receive can be dealt with promptly, either by sending one of our publications, a simple letter or perhaps through a telephone call. Occasionally the issues raised require more detailed consideration. Whatever the reason for contacting us we will respond in accordance with the commitments set out below:

- If you write to us we will endeavour to give you a full and clear response within 15 working days from receipt of your letter. We will ensure that our response is both accurate and appropriate. This service standard applies to all forms of correspondence including emails and faxes.
- If we cannot give you a full response within 15 days, we will contact you and let you know the reasons why this is not possible and indicate when we expect to be in a position to give you a full response. We will also let you have the name and contact number of the person dealing with your query.

- If you contact us centrally by email we will initially acknowledge receipt of your enquiry. While we recognise that email offers great advantages in terms of speed, many of the queries we receive can be complex, requiring careful consideration and advice from a number of sources. We will respond fully within the published service standard for other correspondence.

We will monitor our performance against this service standard and publish the results.

A standard for telephone calls

If you ring us we will answer your call promptly, courteously and helpfully. If the person you wish to speak to is not available, we will take a message and arrange for your call to be returned by them or some other suitable person.

We will assess our performance against this standard and ensure that action is taken to improve standards where this is found to be necessary.

An information standard

We will provide clear and straightforward information about our services to our customers. This will be available on request including through our helpline and on our website where you will also find our central email addresses.

The Committee also maintains a public enquiry line on Freephone: 0800 692 1516, available 24 hours a day, for ordering copies of its free publications.

TABLE 3: REPLIES TO CORRESPONDENCE: PERFORMANCE REPORT

	2002-03	2003-04	2004-05	2005-06	2006-07 ³³
Total number of letters received	233	200	166	300	266
Total requiring substantive reply	108	116	127	188	180
Total replied to within 15-day deadline	103	107	122	183	167
Replied to in more than 15-day deadline	5	9	5	5	13
Percentage replied to within 15 days	95%	92%	96%	97%	94%

Putting things right

A complaint is any written or spoken expression of dissatisfaction with the service that we provide. We aim to ensure that we:

- treat complaints seriously and deal with them properly;
- resolve complaints promptly and informally whenever possible; and
- learn from complaints and take action to improve our service.

What to do if you have a complaint

Formal complaints about the working of the Committee or Secretariat should be addressed in the first instance in writing to: *The Secretary, Committee on Standards in Public Life, 35 Great Smith Street, London SW1P 3BQ.*

If you remain unhappy with the Committee's actions, you may ask a Member of Parliament to request that the independent Parliamentary Commissioner for Administration (the Ombudsman) investigate your complaint and how it has been handled.

Details of how to do this may be obtained from:

The Office of the Parliamentary Commissioner for Administration
Millbank Tower
Millbank, London SW1P 4QP

Helpline: 0845 015 4033 or 020 7217 4163

Fax: 020 7217 4160

Email: OPCA.Enquiries@ombudsman.gsi.gov.uk

Website: www.ombudsman.org.uk/

³³ From April 2006 to January 2007.

ACHIEVEMENT AGAINST OBJECTIVES FOR 2005–06	
OBJECTIVE 1 To reinforce public confidence in standards of conduct by carrying out an effective programme of work (established after consultation with the Government) on behalf of the Committee.	
Performance Indicator 1	Considering priority areas for attention arising from reviews of the outcomes of previous Committee recommendations and monitoring new and emerging issues of concern about conduct in public life including issues raised by the Attitudinal Research.
Commentary	<p>To fulfil this role and in addition to its formal inquiries, reports and research into public attitudes, the Committee devotes time throughout the year to discussing current issues and concerns relating to standards in public life. These considerations may, and sometimes do, result in a full-scale inquiry. Even where no inquiry is conducted, these are regarded by the Committee as a useful check on current standards and the effectiveness, or otherwise, of the arrangements in place to ensure the highest standards of propriety in public life.</p> <p>In addition, and for the first time, the Committee undertook a post-election consultation exercise between May and September 2005, which involved discussions with over forty key stakeholders. In line with its terms of reference the Committee engaged with stakeholders in a discussion about which “current concerns” were likely to be compatible with a future public inquiry.</p>
Performance Indicator 2	Undertaking a major inquiry (commissioning research, publishing issues and questions paper, taking written and oral evidence) and publishing the Committee’s resultant Report with a launch and conference.
Commentary	Following the post-election consultation exercise, and subsequent constructive discussions with the Cabinet Secretary, on behalf of the Prime Minister, the Committee decided to review The Electoral Commission for its 11th Inquiry, which it announced on 29 November 2005. An Issues and Question paper was published on 16 February 2006.
Performance Indicator 3	Undertaking a smaller inquiry and publishing the Committee’s resultant Report.
Commentary	The qualitative and quantitative national research commissioned by the Committee and published in 2002 and 2004 demonstrated that the Seven Principles do also broadly reflect the current views and priorities of the public. However, the language used to describe the Seven Principles is perceived (by the public) as somewhat arcane and inaccessible. In addition, the quantitative research indicated that the public places a high priority on a much broader definition of “honesty” than currently described by the Seven Principles. The Committee therefore undertook to commission some exploratory qualitative research with members of the public to review the Seven Principles and their descriptions. On the 7 November the Committee announced that, following a competitive tendering process, BMRB Social Research had been awarded the contract.
Performance Indicator 4	Publication of the Committee’s Annual report on its work.
Commentary	The 2005 Annual Report was published in March 2006. For the first time the report was launched at an open public Committee meeting.

ACHIEVEMENT AGAINST OBJECTIVES FOR 2005–06 <i>(continued)</i>	
Performance Indicator 5	Undertaking biennial National survey of public attitudes to standards in public life – fieldwork and analysis.
Commentary	On the 7 November 2005, following a competitive tendering process, the Committee announced that the research contract for the repeat of quantitative survey first published in September 2004, has been awarded to MORI Social Research Institute. A major addition to this 2005-06 survey is the support of the Scottish Executive and Northern Ireland Administration to increase the size of the survey sample to allow public attitudes in Scotland and Northern Ireland to be disaggregated from those in the rest of the UK. Fieldwork was undertaken by MORI during the first quarter of 2006.
OBJECTIVE 2 To promote training and development in the practical aspects of propriety and ethics for public service practitioners and in schools and colleges by carrying out an effective outreach programme on behalf of the Committee.	
Performance Indicator	Development of resource materials and outreach programme to promote training and development into the practical aspects of propriety and ethic for public service practitioners and in schools and colleges.
Commentary	The Committee and secretariat has undertaken a programme of speeches, presentations and workshops for a variety of practitioner organisations to explain and promote the findings of the public attitudes survey and ethical culture aspects of the Tenth Report. The Review of the Seven Principles – see indicator 3 – has and will continue provide a major opportunity to promulgate good standards of ethical conduct more widely during 2006/07.

PROGRESS AGAINST OBJECTIVES FOR 2006–07	
OBJECTIVE 1 To reinforce public confidence in standards of conduct by carrying out an effective programme of work (established after consultation with the Government) on behalf of the Committee.	
Performance Indicator 1	Considering priority areas for attention arising from reviews of the outcomes of previous Committee recommendations and monitoring new and emerging issues of concern about conduct in public life including issues raised by the Attitudinal Research.
Commentary	To fulfil this role and in addition to its formal inquiries, reports and research into public attitudes, the Committee devotes time throughout the year to discussing current issues and concerns relating to standards in public life. These considerations may, and sometimes do, result in a full-scale inquiry. Even where no inquiry is conducted, these are regarded by the Committee as a useful check on current standards and the effectiveness, or otherwise, of the arrangements in place to ensure the highest standards of propriety in public life.
Performance Indicator 2	Undertaking a major inquiry (commissioning research, publishing issues and questions paper, taking written and oral evidence) and publishing the Committee's resultant Report with a launch and conference.
Commentary	The Committee published its 11th Report: A Review of the Electoral Commission at a well-attended, and subsequently covered, press conference on 18 January 2007. This followed 12 Public evidence hearings between June and October 2006 in London, Belfast, Cardiff and Edinburgh involving evidence from 83 witnesses, the analysis of 78 written submissions and two pieces of commissioned research.

PROGRESS AGAINST OBJECTIVES FOR 2006–07 <i>(continued)</i>	
Performance Indicator 3	Undertaking a smaller inquiry and publishing the Committee’s resultant Report.
Commentary	In late 2005 The Committee commissioned BMRB, following a competitive process, to undertake qualitative research with members of the public to review the Seven Principles and their descriptions. This research was undertaken in 3 phases and completed towards the end of 2006 when the Committee considered the draft final report from BMRB. The final report on this research will be published in 2007, along with the Committee’s decisions on the next steps of the research.
Performance Indicator 4	Publication of the Committee’s Annual report on its work.
Commentary	The 2006 Annual Report will be published in March 2007, at a public meeting of the Committee.
Performance Indicator 5	Undertaking biennial National survey of public attitudes to standards in public life – fieldwork and analysis.
Commentary	The 2005-06 survey was successfully completed by Ipsos MORI and the Report published at a press conference in September 2006. A major addition to this 2005-06 survey was the support of the Scottish Executive and Northern Ireland Administration which allowed us to increase the size of the survey sample to disaggregate public attitudes in Scotland and Northern Ireland from those in the rest of the UK.
OBJECTIVE 2 To promote training and development in the practical aspects of propriety and ethics for public service practitioners and in schools and colleges by carrying out an effective outreach programme on behalf of the Committee.	
Performance Indicator	Development of resource materials and outreach programme to promote training and development into the practical aspects of propriety and ethic for public service practitioners and in schools and colleges.
Commentary	The Committee and secretariat has undertaken a programme of speeches, presentations and workshops for a variety of practitioner organisations to explain and promote the findings of the public attitudes survey; ethical culture aspects of the Tenth Report; and now, issues surrounding the integrity of the electoral system following the 11th Report. The Committee’s decisions on the next steps on the Review of the Seven Principles – should provide a major opportunity to promulgate good standards of ethical conduct more widely during 2007.

APPENDIX 6

PROFILE OF THE SECRETARIAT

The Committee is served by a Secretariat of five civil servants seconded or on loan from the Cabinet Office and other government departments. The Secretariat provides policy advice, drafting and all aspects of the organisational and logistical support required by the Committee to operate effectively.

Current members



Dr Richard Jarvis
Secretary



Peter Hawthorne
Assistant Secretary



Jan Ashton
Secretariat Manager



Gloria Durham
*SPS to the Chairman
and the Secretary*



Gemma Craigan
Secretariat Co-ordinator

In line with good practice, the Secretariat has adopted a People Plan. This sets out our objectives for recruitment, appraisal, staff development and employment equity. The Secretariat had a change of leadership this year as Robert Behrens left the civil service to become Commissioner of Complaints at the Bar Council. Dr Richard Jarvis, previously Assistant Secretary was successful in the recruitment competition and appointed Secretary in May 2006. We were pleased to secure the service of Peter Hawthorne who has successfully taken up the Assistant Secretary's position.

Other assistance to the Committee

Until December the Committee has been supported by Mark Pearson who provided advice on handling media relations. Our current press officer is Maggie O'Boyle. The Secretariat was also pleased to welcome Robbie de Santos, an undergraduate intern who came on a short workplace assignment. He ably assisted the Secretariat in research and preparation for the publication of the Public Attitudes survey in the summer of 2006.

APPENDIX 7

REPORTS AND PUBLICATIONS

Title	ISBN	Command Paper No	Price
First Report of the Committee on Standards in Public Life, May 1995			
<i>Volume 1: Report</i>	0-10-1265027	Cm 2850-I	£11.80
<i>Volume 2: Transcripts of Oral Evidence</i>	0-10-1285035	Cm 2850-II	£38.00
Summary of the Committee's First Report			Free of charge
Second Report of the Committee on Standards in Public Life, May 1996			
Local public spending bodies			
<i>Volume 1: Report</i>	0-10-1327021	Cm 3270-I	£14.00
<i>Volume 2: Transcripts of Oral Evidence</i>	0-10-132703X	Cm 3270-II	£34.00
Summary of the Committee's Second Report			Free of charge
Third Report of the Committee on Standards in Public Life, July 1997			
Standards of conduct in Local Government in England, Scotland and Wales			
<i>Volume 1: Report</i>	0-10-137022-9	Cm 3702-I	£12.80
<i>Volume 2: Transcripts of Oral Evidence</i>	0-10-137023-7	Cm 3702-II	£34.00
Summary of the Committee's Third Report			Free of charge
Misuse of Public Office. A new offence? (Consultation paper)			Free of charge
Fourth Report of the Committee on Standards in Public Life, November 1997			
Review of Standards of conduct in executive NDPB's, NHS Trusts and local public spending bodies			Free of charge
Personal Liability in Public Service Organisations: A legal research study, June 1998	0-11-4301050-6		£19.90
Fifth Report of the Committee on Standards in Public Life, October 1998			
The Funding of Political Parties in the United Kingdom			
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APPENDIX 8

Public Administration Committee Annual Conference 2006

The Frank Stacey Memorial Lecture

Sir Alistair Graham Chairman of the Committee on Standards in Public Life

Standards of Conduct in Public Life

Introduction

I am honoured to have been invited to give this lecture in the memory of Frank Stacey who is remembered, in part, for his hugely influential work on the development of the Ombudsman system to provide justice and fairness for citizens in their dealings with the State.

More than this, Frank Stacey was an academic who bridged the divide between political science as an academic discipline and politics as an activity for making peoples lives better. This I hope is a common purpose that all of us here today share. His interests – reflected in his publications – were many faceted and included the role of Ombudsmen (1978), Reform of British Government (1975), and the Government of Britain (1968). In this sense his interests staked out much of the territory subsequently investigated by the Committee that I now Chair, and which I hope makes the Committee's work an appropriate subject matter for this memorial lecture.

The Committee on Standards in Public Life is now approaching its twelfth anniversary. I am its fourth Chair, following my distinguished predecessors Lords Nolan and Neill and Sir Nigel Wicks. I would like to use this opportunity to reflect upon the origins of the Committee and the contribution that the Committee has made to policy development and implementation

during this period. To do this I would like to pose four questions:

- i. has the Committee established itself as part of our unwritten constitution?
- ii. is the Committee a regulator of standards of conduct in public life, and if not, what is it?
- iii. what has been the impact of the Committee's work?; and finally
- iv. where does the Committee go from here?

Through discussion of each I hope to give some food for thought as to what has underpinned the Committee's work on the development of ethical standards in public life in the last decade or so, and what are some key priorities for the immediate future.

1. Part of the unwritten constitution?

Any discussion of the position the Committee now holds must start with its origins which, as is the case for many parts of our constitution, were in response to a political crisis. In this case it was a series of damaging allegations about the behaviour of Members of Parliament – so called "cash for questions"; ministerial patronage over public appointments and the unregulated exodus of Ministers from public office to private sector directorships.

The Committee was established in 1994 by the then Prime Minister in response to this crisis. He gave it broad terms of reference: “to examine current concerns about the standards of conduct of all holders of public office... and make recommendations as to the changes in present arrangements which might be required to ensure the highest standards of propriety in public life”.

The current Prime Minister then widened these terms of reference in 1997 to cover the funding of political parties. This again was in response to a political crisis about the lack of transparency and regulation of donations made to political parties.

The Committee’s status is that of an advisory non-departmental public body of the Cabinet Office. In practical terms this means that it exists under the prerogative of the Prime Minister of the day, and has no formal statutory basis or powers.

This, on the face of it could be argued to be a relatively weak position to make any claim to be a constitutional fixture. However there are three additional aspects that are worth highlighting:

Firstly, and unusually, the then Prime Minister when establishing the Committee also indicated that he envisaged that the Committee would be a standing rather than an ad-hoc Committee. In his words, one that would “act as a running authority of reference – almost you might say an ethical workshop called in to do running repairs”.

This was a bold step – one that probably was resisted by some of his colleagues and officials at the time who would have preferred the more traditional time limited, “fix the problem and move on” Committee. The limitation of this traditional “ad-hoc” approach are more widely recognised now – there are real risks that recommendations apparently accepted can be distorted in implementation and even indefinitely delayed once the Committee of inquiry has been disbanded. These limitations were anticipated and challenged most recently by Sir Michael Bichard who insisted on a review process for the implementation of the recommendations from his inquiry into the Soham murders.

As I will explain later, the Committee has been able to regularly review the implementation of its recommendations and return to issues to assess the impact and outcomes of its work.

Secondly the fact the Committee reports directly to the Prime Minister, who is ultimately accountable for standards of conduct in government and across the public sector more widely, has been key to its effectiveness. The fact that the Committee’s advice is given publicly and that it is free to choose its own topics for inquiry – albeit after consultation with the Government, has added to this strength. Together, these have been critical to the Committee establishing its practical independence from the Government of the day.

Thirdly, the Committee’s membership, which mixes open competition with nominations by the leaders of the major political parties, is a key strength. This provides a wide range of experience and expertise about public and political life and help maintains links into each of the main political parties and to the Houses of Parliament. The balance – three political nominees and seven appointed through open competition – has helped ensure the Committee’s independence and rigour in tackling politically sensitive subjects.

These three factors, combined with the Committee’s approach and impact – which I turn to in a moment – have I believe begun to establish the Committee as part of our unwritten constitution.

2. Is the Committee a regulator?

There is an inquiry currently being held by the Public Administration Select Committee into “ethical regulators” which includes the Committee, as well as other ethics bodies such as the Office of the Commissioner for Public Appointments, the Civil Service Commissioners and the Advisory Committee on Business Appointments. The Committee has welcomed this inquiry and has submitted both written and oral evidence. However, we have been at pains to point out that we are not, in fact, a regulator. As I have already mentioned the Committee has no executive powers and cannot investigate individual complaints about misconduct or provide redress. The Committee is only an Advisory Body. But I think it is instructive to look at the approach it has taken in developing its advisory role, which I believe has significantly added to the impact it has been able to make:

Since its establishment the Committee has fulfilled its terms of reference in three ways.

Firstly the Committee has undertaken and published Ten Public Inquiry Reports which, taken together, have had a significant impact upon the regulation of standards of conduct for virtually all public office-holders and have covered most of the public sector. These public inquiries have formed the core of the Committee's work and are conducted using an evidence-based and entirely open approach. Written submissions are solicited and published and public hearings are held throughout the UK. The final report with recommendations to the Prime Minister is published along with all the evidence collected during the inquiry.

Secondly, the Committee has at regular intervals taken the opportunity to review the progress with the implementation of its own recommendations and published the results. It has also, through some of its public inquiries revisited the effectiveness of the implementation of its own recommendations and where necessary proposed changes in light of experience and events.

Thirdly, since 2001, the Committee has undertaken a programme of research into public attitudes towards standards of conduct in public life. This resulted in a national survey of public attitudes towards standards of conduct published in 2004 and which will be repeated every two years. The second survey will be published in two weeks time. This regular and authoritative assessment of public attitudes will provide an important additional evidence base for the Committee and others to use in its policy development work.

Underpinning this work has been a number of key principles and themes that have provided a coherence and consistency to the Committee's approach. In the Committee's first report, Lord Nolan and colleagues set out the Seven Principles of Public Life – high level aspirational descriptions of ideal behaviour in public life – which have since formed the basis of many codes of conduct throughout the public sector. The first report also set out three mechanisms or common threads to guide the development of standards of conduct:

- **Codes of Conduct** to be drawn up by every public body and which should include the seven principles or appropriate variants;
- **Independent scrutiny and monitoring** to support internal systems to ensure high standards of behaviour; and

- **Guidance and Education** to support dissemination of ethical standards to ensure that the principles of public life are understood.

Latterly three additional and related themes have also emerged:

- **Proportionate regulation.** As regulatory supervision of standards has grown, so have concerns about the potential for the imposition of unnecessary regulatory burdens. This has promoted a realisation that a more proportionate or strategic regulatory approach can have a positive effect. Strategic regulation is built upon understanding user-perspectives, sharing good practice, using resources more effectively to incentivise changes in behaviours, and concentrating work on where it will have most impact based upon risk assessment.
- **Ethical organisational cultures.** Culture in organisations is an often overlooked key to understanding decision-making. It concerns the basic assumptions and beliefs that are learned, shared and often taken for granted within an organisation. One key way to influence organisational culture is through the involvement, ownership and empowerment of those within the organisation and those who are directly affected by the activities of the organisation.
- **Public perceptions and trust.** Trust is a pillar of public life. Absence of trust critically undermines the legitimacy of public office-holders to act on the public's behalf. Bridging the gap between the public's expectations of standards of conduct and their perceptions of standards in practice is one of the biggest challenges of public life over the coming years.

Together I believe these common themes provide a clear and helpful framework within which to continue to assess and develop our standards of conduct in public life.

3. What has been the impact of the Committee's work?

So what has been the impact from this approach? Well I believe that the Committee has made a significant impact across the public sector in the UK both in terms of the new institutional architecture created and in terms of a change in the behaviour of public office-holders.

The reiteration by the Committee in its first report of the **Seven Principles of Public Life**, has led to these being incorporated into

Codes of Conduct of public bodies and other organisations across the whole of the public sector. These Principles have attracted wide attention in the UK and internationally. They have been described by the European Institute of Public Administration as the first articulation of “positive guiding principles of civil service behaviour” in the whole of European public service.

A rigorous standards regime is now in place and working effectively for **Members of Parliament**. This has included the introduction of a Code of Conduct, the registration of MPs private financial interests, and a ban on paid advocacy. The conduct of MPs is now regulated by the independent Parliamentary Commissioner for Standards who oversees investigations into allegations against Members and advises the House of Commons Select Committee on Standards and Privileges on appropriate outcomes. We have therefore moved from a position prior to 1995 where controls of the conduct of MPs was largely informal with little or no codification or transparency to a rigorous, open system of self-regulation with a strong independent element to oversee compliance with the rules.

An independent **Commissioner for Public Appointments** has been established to regulate eleven thousand ministerial appointments to public bodies on the basis of a mandatory Code of Practice. The Code, based on the Seven Principles of Public Life, maps out the procedure for appointments on merit and fair and open competition. The Commissioner also regulates appointments to health service bodies made by the National Health Service Appointments Commission.

A statutory **Code of Conduct for local councillors** has been introduced which requires a public register of the interests of councillors and their close family members. Each local authority has a Standards Committee to deal with matters of discipline in relation to the propriety of members. The Government has now accepted the Committee’s major recommendations in our Tenth Report to transform the Standards Board for England into a strategic regulator overseeing the investigation of complaints against councillors by local Standards Committees.

The **Electoral Commission** was established as an independent statutory authority in England as a result of the recommendations in the Committee’s Fifth Report. The Committee’s recommendations were designed to encourage more openness about the sources and use of party funds and

greater public confidence that individuals and organisations are not buying influence with political parties. The Commission is responsible for overseeing a number of aspects of electoral law: the registration of political parties; the monitoring and publication of significant donations to registered political parties; and the regulation of national party spending on election campaigns. The Committee, in our current Eleventh Inquiry is reviewing the mandate, governance and accountability of The Electoral Commission. This is an example of the Committee reviewing the impact and outcomes of its previous recommendations. In this case, the inquiry has become all the more important since it emerged that the main political parties may have been circumventing disclosure requirements through the use of loans.

The **Ministerial Code** has been revised to reflect and emphasise its importance as a statement of the ethical principles governing ministerial conduct. Ministers who leave Government must submit intentions to take up future employment to the independent Advisory Committee on Business Appointments within two years of leaving office. However, in contrast to civil servants, they are not obliged to accept that advice.

Finally, the Government accepted the Committee’s view that a more active promotion of the **Civil Service Code** would help embed it further in organisational culture. The appointment of the First Civil Service Commissioner is now made after consultation with opposition leaders to further enhance the non-partisan nature of the post. The Government has also responded positively to Committee recommendations to develop and clarify the accountability of special advisers, who are now required to observe a code of conduct drafted to reflect their special position and are now personally accountable to Ministers not permanent secretaries for their conduct.

This is a substantial list of achievements and one that goes beyond measures designed solely to resolve the political crises that led to the Committee’s formation and its extended terms of reference.

4. Where does the Committee go from here?

So, I have summarised the origins of the Committee and particular aspects of its creation and approach that have contributed to making a significant impact on the fabric of our arrangements to ensure high standards of conduct in public life.

However it would be foolish not to recognise that there remain significant issues to be addressed. Recent controversies have led to some commentators claiming that, in terms of actual behaviour, matters have little improved since the political crises that led to the Committee's formation. Overall I would dispute this – the codification and promulgation of codes of conduct, allied to the new institutional architecture for independent oversight has I believe made a significant impact to behaviour across the public sector as a whole. Nevertheless our national public attitudes survey showed a significant gap between the public's expectations of the behaviour of national politicians and their perceptions of that conduct in reality.

There are three areas in particular where, despite attention and recommendations by the Committee, I believe that further work will be a priority in the future:

Ministers

Firstly, ministerial conduct. The recent experience of the handling of allegations against Ministers has highlighted the need to establish publicly credible and proportionate arrangements to deal with ministerial interests and allegations of ministerial misconduct. I do not underestimate that this is difficult and sensitive territory, where naked politics and issues of standards are readily mixed and relentlessly pursued by the media. However, I do believe that the experience of recent years has demonstrated that the absence of credible arrangements is undermining trust in Ministers and in the political process more generally. If we are to make progress I believe the following issues must be tackled:

- How to develop a short and simple Code of Conduct which gives Ministers and their advisers clear guidance on their expected behaviour and helps trigger the taking of expert independent advice when uncertain. This is a key protection for Ministers should later "perceptions – by the media" suggest a possible conflict;
- How to provide for an "independent filter" for allegations of ministerial misconduct to determine whether an investigation is warranted, without removing the Prime Minister's ultimate responsibility for the Code;
- How to design a process for independent investigation of the facts about an allegation without removing the Prime Minister's ultimate responsibility for deciding the consequences of any breach of the Code.
- How to introduce proportionality into the system – both of investigation and sanctions. The media appears to have forced a strongly bi-polar system delivering only one of two outcomes: either complete clearance on any allegation; or dismissal for any breach of the Code; and, finally
- To test all of the above against the reality of the media's thirst for blood once an allegation is made and the role "independent" office-holders can play in dampening this down while the facts are established and a proportionate response decided upon.

Civil servants

Secondly Civil Servants. Over the last forty years governments of all complexions have faced allegations of politicising the Civil Service or eroding other core principles, in particular when attempting to implement organisational, management and personnel reforms. While some of these allegations may have had some foundation, many have not. However, the continued use of prerogative powers to regulate the Civil Service makes such allegations easy to make, and more difficult to refute.

A Civil Service Act which covers the maintenance of the fundamental principles underpinning the Civil Service would provide the most certain and effective way of delivering the necessary parliamentary confidence that the constitutional boundaries are being effectively maintained. This in turn, would free governments to instigate those management reforms necessary without concerns and accusations that this can only be achieved at the price of eroding core values.

Legislation itself is no panacea, for this or any other issue. Conduct (which is the manifestation of these core values) is about individual behaviour which in itself is affected by organisational culture and values. However a Civil Service Act would provide a clear and explicit basis to guide the behaviour of Civil Servants, and indeed Ministers and special advisers, to fulfil their proper and important constitutional roles within the Executive. This has been a long-standing recommendation of the Committee. All political parties now agree on the principle of an Act. What is now needed is the political will to find legislative time.

Trust, culture and performance

Finally, and perhaps most significantly, we have I believe failed to gain the full acceptance and understanding by senior politicians and officials that there is a mutually re-enforcing link between Organisational culture, Public Trust and Performance.

It has always been my contention that public trust actually enhances the ability of organisations to be effective deliverers of public services. I am quite clear that a strong ethical organisational culture is a driver of both increased public trust and improved performance and service delivery. A healthy ethical culture is more likely to produce individual and organisational behaviours that increase public trust in the organisation. This in turn makes it more likely that the public will engage with the organisation and utilise its services. Excellent service delivery will then itself increase public trust in the organisation, so creating a virtuous relationship.

So the challenge is to continue to make these arguments clearly and strongly and to develop the evidence base – as the Audit Commission is already doing – that supports this contention.

If we can do this Mr Chairman, and added to what the Committee has already achieved, then we will have made a real contribution to bridging that divide between theory and practice that was so central to Frank Stacey's work. Thank you.


Sir Alistair Graham: Chairman
Dr Richard Jarvis: Secretary

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