

SUBJECT:	LOBBYING AND CORRUPTION IN LOCAL GOVERNMENT REPORTS
REPORT BY:	DIRECTOR OF RESOURCES
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1. Purpose of Report

- 1.1 To consider an excerpt from a report produced by Transparency International UK titled 'Corruption in UK Local Government: The Mounting Risks'.
- 1.2 To note the production of a report by the Committee on Standards in Public Life on strengthening transparency around lobbying.

2. Summary of Transparency International Report and Background

- 2.1 Transparency International UK forms part of the broader Transparency International organisation which campaigns against global corruption.
- 2.2 The attached report covers a number of areas considered to affect the likelihood of local government corruption, including general risks, changes to audit arrangements, and the role of whistleblowers. However, the report also contains a section on the 'weakened oversight' of elected members, which is reproduced as **Appendix A** for members' consideration.
- 2.3 The section provided for members' attention is divided into the following principal areas of concern:
 - The accumulation of informal power
 - Removal of the national code of conduct
 - Gifts and hospitality
 - Reduced monitoring, enforcement and sanctions
 - Replacing a national standards institution with local independent advisers
 - Over-reliance on the new criminal offence
 - Abolition of statutory employment protection
- 2.4 As the Committee will be aware, local government has some discretion regarding the ways in which the new standards regime can be implemented on a local basis. However, the Localism Act 2011 removed several powers previously available to councils for promoting ethical behaviour by councillors. While the Council is unable to regain these powers, members are recommended to note Transparency International UK's report in order to be aware of the potential pitfalls within the current structure.

3. Summary of Strengthening Transparency around Lobbying Report and Background

3.1 The Committee on Standards in Public Life monitors the conduct of public officials and representatives, making recommendations for improvements to benefit the public good. The committee has recently completed a review which sought to apply the Nolan principles to the role of lobbyists in public life.

3.2 The report is primarily focussed upon the general impact and does not address issues specifically relating to local government at length. As such, the report has not been reproduced as part of this agenda but can be accessed at the following web address: <http://www.public-standards.gov.uk/lobbying-2/>

3.3 Paul Bew, the committee's chair, notes that:

'We have applied the Nolan principles to lobbying and considered how best the lobbied and lobbyists, can live out those principles. We have concluded that a package of measures is urgently required to deliver a greater culture of openness and transparency around lobbying; provide greater clarity for public office holders on the standards expected of them; and to reassure the public that a more ethical approach to lobbying is actively being applied by all those individuals and organisations involved in lobbying.'

3.4 Recommendations considered to be of particular note with regard to local government are produced below for discussion and information:

Recommendation 1

To maintain integrity in decision making, public office holders should proactively and as a matter of course, satisfy themselves as to the identity of the person or organisation lobbying them (and where appropriate their client or employer), the reason for the approach and should keep a record of such meetings.

Recommendation 2

Public office holders should decline all but the most insignificant or incidental gifts, benefit or hospitality from professional lobbyists. Public office holders' registers of interest, gifts and hospitality should be published regularly and in an easily accessible format.

Recommendation 4

As a matter of good practice, any guidance on lobbying should remind all public office holders of the principle of equality of access and the need proactively to consider, after any meeting, whether a balance of views should be obtained.

Recommendation 5

Public bodies should routinely publish information about all significant meetings and hospitality involving external attempts to influence a public policy decision. This should include significant contact (including private meetings) where a specific matter is raised which has a bearing on official business. The published information should include dates of meetings, details of attendees and meaningful descriptors of subject-matter. It should normally be published within one month on a relevant website in an easily accessible format. In the case of central government, the disclosure arrangements should cover special advisers and

senior civil servants as well as Ministers, Permanent Secretaries and Departmental Boards. Public office holders who are outside the scope of the Freedom of Information Act (including Members of Parliament, Peers and Councillors) should be encouraged to disclose the same information and consideration should be given to including this in relevant Codes of Conduct.

Recommendation 10

As a matter of best practice, before any individual agreement for secondment or interchange is entered into, consideration of the possible conflicts of interest that may arise should actively be discussed and managed by public bodies. This may require recording the possible conflict of interest, the imposition of restrictions or conditions as part of the agreement in order to manage that conflict, or ultimately refusing to agree to the secondment or interchange.

Recommendation 14

Scenario based ethics training is recommended as an approach to raising consciousness of and adherence to high ethical standards in lobbying.

4. Organisational Impacts

4.1 Finance

There are no financial implications to this report.

4.2 Legal Implications

There are no legal implications to this report.

5. Recommendation

5.1 That members note the contents of the respective reports.

5.2 That any appropriate comments be forwarded to the Audit Committee if required.