

**DRAFT v 14.10.00**

**ANNUAL REPORT OF THE  
NATIONAL ASSEMBLY FOR WALES'  
COMMITTEE ON  
STANDARDS OF CONDUCT**

**OCTOBER 2000**

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## **COMMITTEE ON STANDARDS OF CONDUCT**

### **REPORT TO THE ASSEMBLY**

#### **1. Introduction**

1.1 This is the first annual report to the National Assembly for Wales by its Committee on Standards of Conduct, as required by Standing Order 16. It covers the 12-month period starting from the date of the first meeting on 22<sup>nd</sup> July 1999.

1.3 The Committee on Standards of Conduct is one of the Assembly's six Standing Committees. The Committee is chaired by David Melding AM, and its membership during the period of this report was Janet Davies AM, Richard Edwards AM, Val Feld AM, Janice Gregory AM, Brian Hancock AM, Christine Humphreys AM, Gareth Jones AM and Gwenda Thomas AM.

1.4 The Committee should like to extend its thanks to Nick Bourne AM, who Chaired the Committee until November 1999, and to John Griffiths AM and Karen Sinclair AM for their contributions to the work of the Committee during their period of membership.

1.5 During its first year, the Committee met on 7 occasions, and considered 2 complaints. In accordance with standing orders, its meetings were held in public and available for broadcast, with the exception of the meetings to discuss the two complaints, which were held in closed session. Details of the Committee's work programme and activity are outlined below .

#### **2. The Committee's Remit**

2.1 Standing Order 16 sets out the remit of the Standards Committee, and the requirements as to its membership, the role of the Independent Adviser on standards, meetings and reports. A copy is at Annex A.

2.2 The key function of the Committee is to consider complaints referred to it by the Presiding Officer and any matters of principle relating to the conduct of Assembly Members generally. The Committee also oversees the Register of Members' Interests.

#### **3. Activity During Our First Year**

3.1 Despite the fact that there were only two complaints referred to the Committee during the year, the Committee's workload was high. Almost all of the procedures and protocols that fall within the jurisdiction of the Committee

were in place, having been adopted by the Assembly, by the time of the Committee's first meeting. The key procedure, however, specifying how we would deal with complaints had yet to be devised. This, together with the appointment of an independent adviser, was therefore an early priority for the Committee. In spring this year, we began a fundamental review of the framework and rules governing Members' Interests. A number of significant points arose during the review, for which we have made recommendations for action. Because of the importance of this, we have separated the review activity from the description of the other activity during our first year. The review section can be found on page 5.

### 3.2 The Complaint Procedure

3.2.1 The Committee began considering options for dealing with complaints in July 1999. Early considerations were:

- (1) the unique provisions of the Government of Wales Act 1998, which make it a criminal offence to participate in proceedings whilst failing to declare/register an interest;
- (2) the role of the Presiding Officer (standing orders place him in the first line for receiving complaints);
- (3) the types of complaints that the Committee could/should consider and
- (4) the Committee's relationship with an independent adviser on standards.

3.2.2 Over a series of three meetings the Committee gradually shaped its procedure, building in considerations about the rights of Members, jurisdiction, and standing instructions to the Secretariat on referral to the police and for the preliminary investigation by the independent adviser. In December 1999 the Committee endorsed the formal draft complaint procedure subject to it being (1) circulated to all Members and (2) fine-tuned in the light of feedback from Members and the independent adviser, when appointed. . Members raised a number of points during the process, which were subsequently considered, and taken account of in the final procedure.

3.2.3 Further improvements and refinements were made to the draft procedure in the spring with the arrival of the independent adviser and the first live complaint. A final version of the Complaints Procedure was considered and approved by the Standards Committee on 6<sup>th</sup> July 2000. This procedure was published onto the Intranet in July 2000, with a copy of the Committee's "How to Complain" leaflet A copy of the full procedure is at Annex B.

### 3.3 Complaints Referred to Committee by the Presiding Officer

3.3.1 Standing Order 16 limits the Committee's powers of investigation to complaints which have been referred to it by the Presiding Officer. Between the period 22<sup>nd</sup> July 1999 to 21<sup>st</sup> July 2000 two complaints were referred to the Standards Committee. Under the terms of the draft procedure which then existed (see paragraph 3.2.1 above), the Committee was involved in the preliminary and full investigation stage. Following clarification of the roles of the Presiding Officer and the Committee, the Committee now only considers cases when they have been established as being complaints and within their jurisdiction. Both cases concerned the use of the Assembly's resources and were dismissed at the preliminary investigation stage. Copies of the Committee's reports were published on the Intranet/Internet following completion and are at Annex C.

### 3.4 The Independent Advisor

3.4.1 Standing Order 16.3 requires the Assembly to appoint an independent adviser to the Presiding Officer on matters relating to the conduct of Assembly Members and to assist the Committee, by invitation, in its investigations.

3.4.2 Work on the recruitment and selection process for the adviser began in earnest in November 1999, following clarification of the terms of reference and relationship with the Presiding Officer and the Committee, and the Assembly's approval in plenary to the mechanism of appointment.

3.4.3 The process was carried out in accordance with the principles used for public appointments, including fair and open competition. The selection panel comprised the Presiding Officer, the Chair (David Melding) and Elizabeth Filkin, the Parliamentary Commissioner on Standards. Party leaders were consulted on the shortlisted candidates and on 15 March, by resolution of the Assembly, Mr Richard Penn was appointed to be the Independent Adviser on Standards of Conduct.

3.4.4 A copy of the protocol on the Role of, and Access to, the Assembly's Independent Adviser on Standards of Conduct is at Annex D.

### 3.5 The Committee on Standards in Public Life - Sixth Report

3.5.1 Earlier this year the Parliamentary Committee on Standards in Public Life (known as the Neill Committee) published its sixth report "Reinforcing Standards". The report was wide ranging and made a number of conclusions and recommendations. In summary, it considered issues relating to Members of Parliament, Ministers and their Civil Servants and Special Advisers, Lobbying

and All-Party Groups, Sponsorship of Government Activities, Public Appointments and Proportionality and Task Forces

3.5.2 The remit of the Neill Committee does not extend to the devolved bodies. However, the Assembly's Committee on Standards recognised that some areas of the report, in particular its observations with regard to Members of Parliament, may also be considered appropriate for Assembly Members. The Committee therefore reviewed those areas of the report and the relevant recommendations. The Committee's considerations were summarised by the Chair of the Committee in a letter to the Lord Neill of Bladen (Chair, Parliamentary Committee on Standards in Public Life). A copy of the letter is at Annex E.

### 3.6 The Register of Members Interests

3.6.1 During the course of the year the Register was maintained and published by the Table Office in accordance with the published guidance and Standing Orders. The Committee issued supplementary guidance on issues such as financial sponsorship and the deminimis limits. In July, the Presiding Officer published the first annual report of the Register, as required by section 72 of the Government of Wales Act 1998. The main issues arising are dealt with in the context of the review section below.

## **4. The Review of Members' Interests**

4.1 As the Assembly became more settled in its operations, the requirements of Assembly Members to register and declare certain interests began to be tested. There was some confusion on the precise meaning of the rules on declaration and voting and the precise requirements of standing order 4 and its annex. In spring 2000 the Committee considered that it was timely to review the effectiveness of the arrangements, which had been put in place prior to its election.

4.2 The review encompassed a thorough examination of the relevant sections of the Government of Wales Act, standing orders, the guidance available to Assembly Members and experience of registrations and declarations made.

4.3 The key points arising from its investigation were that the requirements for registering values in relation to financial interests needed further consideration. The rules on declaration of interests and voting needed urgent clarification and the requirements on indirect interests could be a very complex issue in practice. In the light of the emerging findings, the Committee

issued supplementary guidance to all Members on declaration and voting.

4.4 The Committee's conclusions and its proposed course of action were endorsed at its meeting in July, together with a revised draft of the Assembly's guidance on "the Registration and Declaration of Members' Financial and other Interests". Members were consulted over the summer on the Committee's views. Despite reminders being issued, only one response was received by the deadline of 29 September 2000. The response supported the Committee's conclusions in respect of the requirement to register/declare values.

4.5 A copy of the consultation paper is at annex F. In concert with the debate on Committee's annual report, the Assembly will be invited to agree to the amendment to the Annex to standing order 4 and to endorse the revised guidance.

## **5. The Committee's Conclusions in respect of Ethical Standards (SO 16.1(v))**

5.1 As noted above, there have been only two cases referred to the Committee during the period of this report, neither of which proceeded to full investigation, Both related to technical breaches of Assembly guidance on the use of resources. From the evidence actually presented to the Committee there seem no grounds for concern about the ethical standards of its Members.

5.2 In recent months, however, the Committee has become aware of the potential to use its procedures and resources for the pursuance of political issues. The Committee would be concerned if this type of activity were allowed to affect its ability to carry out its serious role.

**STANDARDS COMMITTEE**

**OCTOBER 2000**