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<b>Report to:</b> Standards Committee Audit and Governance Council	<b>Date of Meeting:</b> 19 June 2012 27 June 2012 5 July 2012
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**Subject:** Standards Regime at Sefton Council

**Report of:** Head of Corporate Legal Services                      **Wards Affected:** No

**Is this a Key Decision?** No                      **Is it included in the Forward Plan?**  
No

**Exempt/Confidential**                      No

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### **Purpose/Summary**

To provide a further update on the impact of the Localism Act 2011 and the standards regime.

### **Recommendation(s)**

#### Standards Committee – 19 June 2012

To note the contents of the report.

#### Audit & Governance Committee – 27 June 2012

1. To note the contents of the report
2. To also note the need for a further review and research to be undertaken of the Standards Regime within the current municipal year
3. To recommend for approval the additional draft Terms of Reference (Appendix D) to Council on 5 July 2012.

#### Council – 5 July 2012

1. To agree to adopt the Code of Conduct as set out in Appendix C
2. To agree that a working party be drawn from the Audit & Governance Committee as opposed to the Standards Committee as set out in Resolution 6 of the Council meeting held on 12 April 2012. (Paragraph 1(6) refers)
3. To agree to the appointment of the Independent Persons in accordance with the transitory regulations for the period ending no later than 30 June 2013. Details will be provided to Members prior to the meeting of full Council.
4. To agree to the additional Terms of Reference for Audit and Governance Committee as shown at Appendix D

**How does the decision contribute to the Council’s Corporate Objectives?**

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		X	
2	Jobs and Prosperity		X	
3	Environmental Sustainability		X	
4	Health and Well-Being		X	
5	Children and Young People		X	
6	Creating Safe Communities		X	
7	Creating Inclusive Communities		X	
8	Improving the Quality of Council Services and Strengthening Local Democracy		X	

**Reasons for the Recommendation:**

To ensure that the Council is compliant with the requirements of the Localism Act 2011.

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

Nil

**(B) Capital Costs**

Nil

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Legal:</b> Legal implications are contained within the report.	
<b>Human Resources</b>	
<b>Equality</b>	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

**Impact on Service Delivery:**

None expected

**What consultations have taken place on the proposals and when?**

The Head of Corporate Finance & ICT Strategy (FD1609/12) has been consulted and has no comments to make on this report as there are no direct financial implications as a result of it.

**Are there any other options available for consideration?**

The introduction of the Localism Act 2011 means that changes have to be made to the current standards regime at the Council to ensure that the Council is compliant. Options as to how the Council becomes compliant with the legislation were considered in the last report to Council – 12 April 2012 and there is a further opportunity for review later in the municipal year.

**Implementation Date for the Decision**

Immediately following the decision at full Council on 5 July 2012

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**Background Papers:**

There are no background papers available for inspection.

## 1. Introduction

1.1 At the Council meeting on 12 April 2012 a number of issued were resolved. The table below shows how each of those actions where appropriate have been acted upon to ensure compliance with the Localism Act 2011 with respect to the provisions on Standards in Local Government.

	<b>Council Resolved</b>	<b>Current Postion/Action Taken</b>
1.	The Standards Committee cease to exist with effect from 30 June 2012;	The last meeting of the Standards Committee took place on 19 June 2012
2.	The work of the current Standards Committee be merged with that of the Audit and Governance Committee with effect from 1 July 2012, and that the case-work of the current Standards Sub Committees continue and be overseen by the Audit and Governance Committee;	The Terms of Reference attached in <b>Appendix D</b> will ensure that that transition takes place.
3.	The draft Code of Conduct set out in Appendix A (12 April 2012) of the report as prepared by the Association of County Secretaries and Solicitors (ACSeS) be adopted by the Council with effect from 1 July 2012, subject to resolutions (9) and (10) below;	The ACSeS Code of Conduct has been amended to include the most recent regulations regarding disclosure of pecuniary interests and is attached for approval at full Council on 5 July 212 at <b>Appendix C</b>
4.	The Monitoring Officer and/or Deputies be given delegated authority in consultation with the Independent Member to deal with certain prescribed matters, in writing without the need to convene meetings, as set out in paragraph 6 of the report;	Amendments will be made to the Monitoring Officer's roles and responsibilities when further work is undertaken to update the Council's constitution and is due for consideration at Council in September 2012
5.	Authority be delegated to the Hearings Sub Committee to impose the range of sanctions identified in paragraph 7 of the report (to Council on 12 April 2012) on a Councillor should he/she have been found to be in breach of the Code of Conduct;	See proposed Terms of Reference included in <b>Appendix D</b>
6.	The Monitoring Officer be granted delegated authority to make arrangements for the advertisement, recruitment of an Independent Member (IP) and for standby IP's in consultation with a working group of members (maximum of 5 members)	Given the handover arrangements between the current independent members of the Standards Committee and the new Independent Person posts being recruited

	drawn from the current Standards Committee	to as facilitated in the transitory arrangements, this will be conducted during the current municipal year and the working group will be drawn from the Audit & Governance Committee members.  See recommendation 3 to Council.
7.	The Monitoring Officer prepare the new register of interests in conjunction with the Head of Governance and Civic Services to comply with the new Code of Conduct and the Act and ensure that the register is available for inspection;	Details of the register will be sent to members before the end of June 2012
8.	The Monitoring Officer ensure that Members of the Council and Parish Councils are made aware of their new obligations under the Act in due course;	A presentation was made to some representatives of the Parish and Town Councils on 22 May 2012, a further presentation/discussion will take place on 26 June and 10 July 2012.
9.	In addition to the draft Code of Conduct prepared by ACSeS, a provision be included in the Code to ensure that members update their register of interests within 2 months of the date that a change occurs;	See <b>Appendix C</b>
10.	A further addition be made to the ACSeS draft Code of Conduct that where a member discloses a Discloseable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation;	As above
11.	The necessary changes be made to the terms of reference of the Audit and Governance Committee and that the Council's Constitution be amended accordingly; and	See <b>Appendix D</b>
12.	A further review of the administration of Standards in Sefton be undertaken within six months of their introduction and be reconsidered by the Council	See paragraph 1.4 below

1.2 In the days immediately before the Council meeting on 12 April 2012 and since, a number of documents were or have been circulated by the LGA and DCLG:

- On 10 April 2012 the LGA circulated to Leaders and Chief Executives a template Code and Guidance note on Conduct. A copy of which is attached

at **Appendix A**. The purpose of providing this to Council's was to 'assist authorities in thinking about how their new Code of Conduct should look and it remains the LGA's view that it is for each Council's locally elected members to decide what the right Code will look like in its area.'

- On 11 April 2012 the DCLG made available an illustrative text for a Code of Conduct for Members and Co-opted Members of Councils. This was unexpected and provides an example of what a Code of Conduct might look like. A copy of this is attached at **Appendix B**
- On 6 June 2012, the DCLG issued the final form of the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 No 1464 which specify what a pecuniary interest is. These are explained, in more detail, later in the report.
- The DCLG has also issued the Localism Act 2011 Commencement No 6 (Transition, Savings and Transitory Provisions) Order 2012 No 1463

1.3 The purpose of including appendices A & B at this time is to simply ensure that Members are aware that there are other examples of Codes of Conduct being promulgated.

1.3.1 Members will appreciate that when the review is carried out in accordance with the resolution above, further research will be undertaken to consider the best practice from other local authorities within Merseyside and elsewhere and to see if there are any reported cases, articles etc which could be incorporated in Sefton's final Code of Conduct. Any review will naturally include consultation work with the Parish and Town Council's within Sefton. At this stage, Sefton has not adopted a definition for non-pecuniary interests.

### **The new Regulations – Disclosing Pecuniary Interests**

1.4 The new Regulations take effect on 1 July 2012. Given that this information will not be considered by Members of Council until 5 July 2012, officers will write to all Councillors before the end of June 2012. The communication will advise them of the legislative changes and for the opportunity to be trained in both the new Code and disclosure of interests immediately prior to the Council meeting on 5 July 2012.

1.5 Section 30 of the Localism Act 2011 provides that a member or co-opted member must, before the end of 28 days beginning with the day on which the person becomes a member or co-opted member of the authority, notify the authority's monitoring officer of any disclosable pecuniary interests which the person has at the time when notification is given.

1.6 The Act states that an interest is a disclosable pecuniary interest if it is of a description as described above and either

- It is an interest of the member, or
- It is an interest of:
  - The member's spouse or civil partner
  - A person with whom the member is living as husband and wife, or
  - A person with whom the member is living as if they were civil partners,

And the member is aware that that other person has the interest.

1.7 The pecuniary interests which are specified below, is the information contained in the prescribed description as follows:

<b>Subject</b>	<b>Prescribed description</b>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by a Member of a relevant authority in carrying out duties as a Member, or towards the election expenses of a/the Member of the relevant authority.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest*) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p> <p><i>*this means a firm in which the relevant person is a partner or a body coporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest</i></p>
Land	<p>Any beneficial interest in land which is within the area of the relevant authority*.</p> <p><i>*land excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income.</i></p>
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to the relevant Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p>

(b) the tenant is a body in which the relevant person has a beneficial interest.

## Securities

Any beneficial interest in securities\* of a body where—

(a) that body (to the relevant Member's knowledge) has a place of business or land in the area of the relevant authority; and

(b) either—

(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*\*securities means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.*

## Appointment of Independent Persons

1.8 In relation to the appointment to the post of Independent Person (IP) the Act is very specific about who is eligible to apply for the post and the following people are **not** entitled to apply for the position:

- A member, co-opted member or officer of Sefton MBC
- A member, co-opted member or officer of a parish council that lies within the geographical boundary of Sefton MBC
- A relative or close friend of a member, co-opted member or officer of Sefton MBC
- A relative or close friend of a member, co-opted member or officer of a parish council that lies within the geographical boundary of Sefton MBC
- You have been within the last 5 years a member, co-opted member or officer of Sefton MBC
- You have been within the last 5 years a member, co-opted member or officer of a parish council that lies within the geographical boundary of Sefton MBC.

1.9 However, recently published Transition Regulations provide that notwithstanding the above provisions a person **may** be appointed as an independent person if that person:

- is not a member or co-opted member of the standards committee of the authority on 1 July 2012; but
- has held such a post at any time during 5 years ending on 30 June 2012.



This transition provision only applies in relation to appointments made before 1 July 2013. In other words the authority can appoint one of the former Independent Members of the Standards Committee for a maximum period of 12 months pending the appointment of an Independent Person who will meet all the criteria as set out in paragraph 1.9 above.

### **Arrangements for Implementation**

- 1.9.1 The Council's Monitoring Officer met with representatives of the Parish and Town Council's at Maghull Town Hall on 22 May 2012 to give a presentation on the new standards regime and it was agreed that a similar presentation would be given to all the clerks on 26 June and a further presentation to the representatives from the 10 parishes council meetings on 10 July 2012.
- 1.10 As part of the new members' induction programme new members will receive training on the current and new standards regime on 18 June 2012.
- 1.11 All members will receive a letter to outline the changes before the end of June and will have the opportunity to be trained on 5 July 2012 immediately before the Council meeting.

### **List of Appendices**

<b>Appendix A</b>	Local Government Association proposed Code of Conduct
<b>Appendix B</b>	Department of Communities and Local Government illustrative text
<b>Appendix C</b>	Sefton Metropolitan Borough Council's revised Code of Conduct
<b>Appendix D</b>	Proposed Terms of Reference for the Audit and Governance Committee

## Appendix A

## Local Government Association proposed Code of Conduct

### Template Code of Conduct

As a member or co-opted member of *[X authority]* I have a responsibility to represent the community and work constructively with our staff and partner organisations to secure better social, economic and environmental outcomes for all.

In accordance with the Localism Act provisions, when acting in this capacity I am committed to behaving in a manner that is consistent with the following principles to achieve best value for our residents and maintain public confidence in this authority.

**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 Act further provides for registration and disclosure of interests and in *[X authority]* this will be done as follows: *[to be completed by individual authorities]*

As a Member of *[X authority]*, my conduct will in particular address the statutory principles of the code of conduct by:

Championing the needs of residents – the whole community and in a special way my constituents, including those who did not vote for me - and putting their interests first.

Dealing with representations or enquiries from residents, members of our communities and visitors fairly, appropriately and impartially.

Not allowing other pressures, including the financial interests of myself or others connected to me, to deter me from pursuing constituents' casework, the interests of the *[county][borough][Authority's area]* or the good governance of the authority in a proper manner.

Exercising independent judgement and not compromising my position by placing myself under obligations to outside individuals or organisations who might seek to influence the way I perform my duties as a member/co-opted member of this authority.

Listening to the interests of all parties, including relevant advice from statutory and other professional officers, taking all relevant information into consideration, remaining objective and making decisions on merit.

Being accountable for my decisions and co-operating when scrutinised internally and externally, including by local residents.

Contributing to making this authority's decision-making processes as open and transparent as possible to enable residents to understand the reasoning behind those decisions and to be informed when holding me and other members to account but restricting access to information when the wider public interest or the law requires it

Behaving in accordance with all our legal obligations, alongside any requirements contained within this authority's policies, protocols and procedures, including on the use of the Authority's resources.

Valuing my colleagues and staff and engaging with them in an appropriate manner and one that underpins the mutual respect between us that is essential to good local government.

Always treating people with respect, including the organisations and public I engage with and those I work alongside.

Providing leadership through behaving in accordance with these principles when championing the interests of the community with other organisations as well as within this authority.

## **Appendix B**

Department of Communities and Local Government illustrative text

### **Illustrative text for code dealing with the conduct expected of members and co-opted members of the authority when acting in that capacity**

You are a member or co-opted member of the [name] council and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Accordingly, when acting in your capacity as a member or co-opted member -

You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.

You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.

When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.

You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.

You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.

You must declare any private interests, both pecuniary and non-pecuniary, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out in the box below.

You must, when using or authorising the use by others of the resources of your authority, ensure that such resources are not used improperly for political purposes (including party political purposes) and you must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.

#### **Registering and declaring pecuniary and non-pecuniary interests**

You must, within 28 days of taking office as a member or co-opted member, notify your authority's monitoring officer of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a husband or wife, or as if you were civil partners.

In addition, you must, within 28 days of taking office as a member or co-opted member, notify your authority's monitoring officer of any disclosable pecuniary or non-pecuniary interest which your authority has decided should be included in the register.

If an interest has not been entered onto the authority's register, then the member must disclose the interest to any meeting of the authority at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'.<sup>1</sup>

Following any disclosure of an interest not on the authority's register or the subject of pending notification, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State. Additionally, you must observe the restrictions your authority places on your involvement in matters where you have a pecuniary or non pecuniary interest as defined by your authority.

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<sup>1</sup> A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

**CODE OF CONDUCT**

**Introduction**

This Code applies to you as a member of this Authority when you act in your role as a member and it is your responsibility to comply with the provisions of this Code.

You are a representative of this Authority and the public will view you as such and therefore your actions impact on how the Authority as a whole is viewed and your actions can have both positive and negative impacts on the Authority.

This Code is based upon the "Nolan Principles - the seven principles of public life" which are set out at Appendix 1 of this Code.

**Interpretation**

In this Code:-

"Meeting" means any meeting of:

- (a) the Authority;
- (b) the executive of the Authority;
- (c) any of the Authority's or its executive's committees, sub-committees, joint committees or area committees;

whether or not the press and public are excluded from the meeting in question by virtue of a resolution of members.

"Member" includes a co-opted member and an appointed member.

**General Obligations**

1. When acting in your role as a member of the Authority:

1.1 **DO** treat others with respect;

1.2 **DO NOT** conduct yourself in a manner which is contrary to the Authority's duty to promote and maintain high standards of conduct of members;

1.3 **DO NOT** disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where:-

- (i) you have the consent of a person authorised to give it;
- (ii) you are required by law to do so;
- (iii) the disclosure is made to a third party for the purpose of obtaining professional legal advice, provided that the third party agrees not to disclose the information to any other person; or
- (iv) the disclosure is:-

- (a) reasonable and in the public interest; and
- (b) made in good faith and in compliance with the reasonable requirements of the Authority; and
- (c) you have consulted the Monitoring Officer prior to its release;

1.4 **DO NOT** prevent another person from gaining access to information to which that person is entitled by law.

2. When using or authorising the use by others of the resources of the Authority:

2.1 **DO** act in accordance with the Authority's reasonable requirements, including the requirements of the Authority's ICT policy and the policies (attached to or included in the Authority's Constitution), copies of which have been provided to you and which you are deemed to have read;

2.2 **DO** make sure that such resources are not used improperly for political purposes (including party political purposes); and

2.3 **DO** have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

### Interests

3. As a public figure, your public role may, at times, overlap with your personal and/or professional life and interests. However, when performing your public role as a member, **DO** act solely in terms of the public interest and **DO NOT** act in a manner to gain financial or other material benefits for yourself, your family, your friends, your employer or in relation to your business interests. The definition of pecuniary interests is now set out in Appendix C of the Code of Conduct.

4. You are required to register "pecuniary and other interests". Failure to declare or register a pecuniary interest will be a criminal offence if this is done without a reasonable excuse. If you knowingly or recklessly provide false or misleading information about a pecuniary interest, this will also be a criminal offence.

5. There will be no requirement for you to declare or register any gifts and hospitality, but **DO NOT** accept any gifts in excess of £50 (fifty pounds).

### Disclosure and participation

6. At a meeting where such issues arise, **DO** declare any interests relating to your public duties and **DO** take steps to resolve any conflicts arising in a way that protects the public interest.

7. Certain types of decisions, including those relating to a permission, licence, consent or registration for yourself, your friends, your family members, your employer or your business interests, may be so closely tied to your personal and/or professional life that your ability to contribute to a decision in an impartial manner in your role as a member may be called into question and in turn raise issues about the validity of the decision of the Authority. **DO NOT** become

involved in these decisions any more than a member of the public in the same personal and/or professional position as yourself is able to and **DO NOT** vote in relation to such matters. (See also Appendix 2.) In addition,

- members must update their register of interests within 28 days of the date that a change occurs;
- where a member discloses a Discloseable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation

8. **DO NOT** improperly use knowledge gained solely as a result of your role as a member for the advancement of yourself, your friends, your family members, your employer or your business interests.

### **Pre-determination or bias**

9. Where you have been involved in campaigning in your political role on an issue which does not impact on your personal and/or professional life, you should not be prohibited from participating in a decision in your political role as a member. However, **DO NOT** place yourself under any financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.
10. When making a decision, **DO** consider the matter with an open mind and on the facts made available to you in order for the decision to be taken.

### **Interests arising in relation to overview and scrutiny committees**

11. In relation to any business before an overview and scrutiny committee of the Authority (or of a sub-committee of such a committee) where:
- 11.1 that business relates to a decision made (whether implemented or not), or action taken by your Authority's executive or another of your Authority's committees, sub-committees, joint committees or joint sub-committees; and
- 11.2 at the time the decision was made or action was taken, you were a member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph 11.1 and you were present when that decision was made or action was taken; or
- 11.3 that business relates to a decision made (whether implemented or not), or action taken by you (whether by virtue of the Authority's Constitution or under delegated authority from the Leader):

**you may** attend a meeting of the overview and scrutiny committee of your Authority or of a sub-committee of such a committee, but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purposes, whether under a statutory right or otherwise.



## **APPENDIX 1**

### **THE SEVEN PRINCIPLES OF PUBLIC LIFE**

#### **SELFLESSNESS**

Holders of the 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 the 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.

## APPENDIX 2

Where the decision referred to in Clause 7 of the Code relates to one of the functions of the Authority set out below, and the condition which follows that function does not apply to you when making that decision, you may participate in the decision:

- (i) housing, where you are a tenant of your Authority *unless* the decision relates particularly to your tenancy or lease;
- (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or a parent governor of a school *unless* the decision relates particularly to the school concerned;
- (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of such pay;
- (iv) an allowance, payment or indemnity given to members;
- (v) any ceremonial honour given to members; and
- (vi) setting Council Tax or a precept under the Local Government Finance Act 1992.

### APPENDIX 3

<b>Subject</b>	<b>Prescribed description</b>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by a Member of a relevant authority in carrying out duties as a Member, or towards the election expenses of a/the Member of the relevant authority. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest*) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.  <i>*this means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest</i>
Land	Any beneficial interest in land which is within the area of the relevant authority*.  <i>*land excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income.</i>
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to the relevant Member's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.

## Securities

Any beneficial interest in securities\* of a body where—

(a) that body (to the relevant Member's knowledge) has a place of business or land in the area of the relevant authority; and

(b) either—

(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*\*securities means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.*

## **Appendix D**

### Proposed Terms of Reference for the Audit & Governance Committee

That the following terms of reference be added to the Audit & Governance Committee's terms of reference:

#### **Audit & Governance Committee**

1. To make recommendations to the Council on the adoption, implementation and maintenance and review of a local Code of Conduct for Members – co-opted Members and officers of the Council
2. To determine effective training of Councillors and Co-opted Members in matters of conduct and advice to individuals on issues relating to the treatment of interests and on the propriety of conduct generally.
3. To deal with the arrangements for Councillors to receive dispensations to speak on, or participate in, matters in which they have an interest.
4. To determine the appropriate action on matters referred to the Committee by the Monitoring Officer including disciplinary matters relating to the conduct of individual and/or groups of Councillors
5. To ensure compliance throughout the Council with all appropriate Codes of Conduct and procedures from time to time determined by the Committee
6. To deal with appropriate matters referred to it from other Committees
7. To determine any applications for the grant and supervision of exemptions from political restrictions in accordance with Section 3A of the Local Government and Housing Act 1989.

#### **Initial Assessment Sub Committee**

To receive and determine whether to refer for investigation or other appropriate action any written complaints regarding alleged misconduct on the part of the Code of Conduct of any Borough or Parish or Town Councillor or Co-opted Member

#### **Review Sub-Committee**

To further review and re-consider the decision of the Initial Assessment Sub-Committee in relation to any decision not to refer an allegation for investigation or any other action which was considered by the Sub-Committee and to determine that matter.

#### **Hearing Sub-Committee**

To hear and determine any complaints which have been referred for investigation. To impose sanctions where a Councillor is found to have breached the Code of Conduct including the following:

1. Report the findings of the hearing to the Council for information
2. Recommend to the Councillors' Group Leader that the Councillor be removed from any or all Committees, Sub-Committees of the Council. Where Councillors do not belong to such a Group such recommendation could be made to full Council.
3. Recommend to the Leader of the Council that Councillor be removed from Cabinet or removed from particular portfolio responsibilities
4. Arrange training for a Member

5. Recommend to Cabinet to remove a Councillor from an outside body appointment to which the Councillor has been appointed or nominated to by the Council
6. Dependent upon the nature of the breach, one of the following might be appropriate:
  - a. Withdrawal of facilities such as use of Council email, equipment etc
  - b. Exclusion of a Councillor from Council offices except to attend meetings