

# The Amended Standards Regime

Report by Councillor J W Pike, Chairman of the Essex County Council and Essex Fire Authority Joint Standards Committee

---

Enquiries to Terry Osborne, Assistant Director, Corporate Law and Monitoring Officer  
tel: 01245 431100; e-mail: terry.osborne@essex.gov.uk

## 1. Purpose of Report

- 1.1. To consider the proposed new Member Code of Conduct and revised arrangements for the determination of complaints of breach of the Code following changes to the standards regime introduced by the Localism Act 2011.

## 2. Decision Areas and Recommendations

The proposals have been considered by the Essex County Council and Essex Fire Authority Joint Standards Committee and the Essex Fire Authority and it is therefore

### 2.1. Recommended:

- (1) That the Joint Standards Committee with the Essex Fire Authority and a Standards (Hearings) Sub-Committee be retained, with the membership, quorum and terms of reference set out in Paragraph 5.4 below.
- (2) That a new member Code of Conduct as set out in the Annex to this report and the sanctions described in Paragraph 7.6 below be adopted.
- (3) That the revised arrangements and delegations set out in Paragraph 7.8 below for the management and determination of complaints against members be adopted.
- (4) That Mr. Norman Hodson and Mr. Jonathan Swan be appointed as independent persons under Section 28 of the Localism Act 2011.

### **3. The Localism Act 2011**

- 3.1. The Localism Act 2011 makes fundamental changes to the system of regulation of standards of conduct for elected and co-opted councillors. The Council must now adopt new arrangements. This report describes the changes required and recommends action for the Council to implement the new regime.

### **4. Duty to promote and maintain high standards of conduct**

- 4.1. The Council remains under a statutory duty to promote and maintain high standards of conduct (S.27) for its elected and co-opted members and to have arrangements in place to deal with allegations of misconduct (S.28).

### **5. Standards Committee**

- 5.1 The Act repeals Section 55 of the Local Government Act 2000, which required authorities to appoint a statutory standards committee. Accordingly, there is now no statutory duty on the Council to appoint a standards committee with independent members and an independent chairman. Nevertheless, the Council will wish to have in place a body of elected members who will be responsible for upholding the Code of Conduct, promoting high standards of conduct amongst members and hearing complaints of failure by members to comply with the Code. Accordingly, it is recommended that the Council continue to have a non-executive standards committee.
- 5.2. Since 2008 the Council and the Fire Authority have discharged their statutory standards responsibilities through a joint committee. This arrangement has worked well. It has made the best use of resources and enabled both authorities to learn from the experience of the other. It is recommended that this arrangement should continue and the Fire Authority has confirmed its continuing commitment to this approach.
- 5.3. Such a committee will be an ordinary joint committee under the Local Government Act 1972, and will not enjoy the unique features which were conferred by the previous legislation. As a result:
- The appointment of members to the new Joint Committee by the Council will be governed by the usual rules on political balance. As far as practicable, the Council must appoint in proportion to the membership of political groups on the Council. The former statutory restriction to only one member of the Executive on the Standards Committee will cease to apply although it is recommended that this feature is retained, and this is reflected in the proposed terms of reference for the Committee and membership.
  - The former co-opted independent members cease to hold office. The Act establishes a new category of Independent Persons (see below) who must be consulted before decisions are taken on the determination of complaints. Former Independent Members are not now eligible for re-appointment. The new Independent Persons may be invited to attend meetings of the Standards Committee as an observer, but cannot be voting members of the Joint Committee.

- 5.4. **Council is recommended to establish with the Essex Fire Authority a Joint Standards Committee with the following membership, quorum and terms of reference:**

**Membership**

- 12 members (9 to be appointed by the Council and 3 to be appointed by the Fire Authority)
- Only one member of the Council's Executive may be appointed to the Committee and/or Sub-Committee

**Quorum**

- The quorum of the committee shall be three members.

**Terms of Reference**

- To advise the Council and the Fire Authority on a local Code of Conduct for members and to promote, develop and maintain high standards of conduct by members and co-opted members of the Council and the Fire Authority.
- To grant dispensations under Section 33 of the Localism Act 2011 to councillors and co-opted members.
- To appoint a Standards (Hearings) Sub-Committee
  - to conduct hearings into allegations of misconduct against members and determine whether and which sanction should be applied
  - to determine any other matters relating to the investigation or determination of allegations of misconduct referred to it by the Monitoring Officer
  - to grant dispensations under Section 33 of the Localism Act 2011 to councillors and co-opted members in matters of urgency.

- 5.5. At its meeting on 5 September 2012 the Fire Authority resolved in similar terms.

- 5.6. It should be noted that the former statutory responsibility of the Standards Committee to determine applications for exemption from, or inclusion in, the list of politically restricted posts under section 3A of the Local Government and Housing Act 1989 is now the statutory responsibility of the post nominated as head of paid service (currently the Chief Executive).

**6. The Code of Conduct**

- 6.1. The current 10 General Principles and Model Code of Conduct have been withdrawn and the statutory declaration of acceptance of office no longer includes an undertaking by members to comply with the Code. However, the Council is required to adopt a new Code of Conduct governing elected and co-opted members' conduct when acting in that capacity. The Council's new Code of Conduct must, viewed as a whole, be consistent with the following seven Nolan principles:

- Selflessness
- Integrity
- Objectivity

- Accountability
  - Openness
  - Honesty
  - Leadership.
- 6.2. The Council has a measure of discretion as to what it includes within its new Code, provided that it is consistent with the seven principles.
- 6.3. However, legislation requires the registration and disclosure of “Disclosable Pecuniary Interests” (DPIs). The Monitoring Officer wrote to all members of the Council inviting registration of DPIs in early July. The Act prohibits members with a DPI in any matter to be considered at a meeting from participating in discussion or voting on that matter and the Council may, by its Code, require members to withdraw from the meeting room where such an interest exists.
- 6.4. Section 28 of the Act also requires the Code to contain appropriate requirements for the registration (and disclosure) of other pecuniary interests and non-pecuniary interests. The draft code proposed here contains definitions of ‘Other Pecuniary Interests’ and ‘Non-Pecuniary Interests’.
- 6.5. A number of different draft codes have been published over recent months. These include:
- *the Essex Code* was drafted at the request of Essex Leaders by the monitoring officers of all Essex authorities. A version of this, tailored to reflect concerns expressed previously by the Standards Committee and others is attached as the Annex to this report and is recommended for adoption by Council. The Council may review and amend the Code at any time.
  - *the Department for Communities and Local Government Example Code* promoted as ‘a lighter touch’ approach. It is a re-wording of the Nolan principles but does not expressly prohibit, or offer guidance on, any specific conduct. It was felt by the Standards Committee that this was too brief and would not offer enough guidance and assistance to members nor afford them sufficient protection.
  - *the LGA Template Code* also reiterates the Nolan principles and identifies the positive conduct expected of a member but again does not expressly prohibit, or offer guidance on any specific negative conduct. For the same reasons as outlined above, the Standards Committee felt this was inadequate.
- 6.6. The background to the Essex Code was that it was felt that for all Essex authorities to adopt substantially the same Code would enhance public confidence in the standards being adopted in the County and greatly assist twin and triple-hatted members who face a real difficulty if they have to work with two or three Codes. The Essex Code is based on the former model Code, includes general conduct rules to give effect to the seven principles and includes provisions relating to DPIs, other pecuniary interests and non-pecuniary interests, inclusion of which is a legislative requirement.
- 6.7. It is a matter of judgement as to the approach that will be most beneficial in supporting the continuing legal duty on the Council and the Council’s continuing aim to promote high standards of conduct amongst members. In considering this it should be borne in mind that the Council will continue to have a legal duty to deal with

allegations of breach and it will be very difficult to deal with these if the adopted Code is too generally worded or vague or does not offer adequate guidance to members.

## **7. Dealing with Misconduct Complaints**

- 7.1. The Act requires that the Council adopts “arrangements” for dealing with complaints of misconduct by County Council members and such complaints can only be dealt with in accordance with such arrangements.
- 7.2. The Act repeals the requirements for separate committees to deal with referrals, reviews and hearings and enables the Council to establish its own process for dealing with complaints, which can include delegation of decisions on complaints. Indeed, as the statutory provisions no longer give the Standards Committee or Monitoring Officer special powers to deal with complaints, it is necessary for Council to delegate appropriate powers to any Standards Committee and to the Monitoring Officer.
- 7.3. The Monitoring Officer will investigate complaints but may appoint another person to investigate on her behalf. The Monitoring Officer may choose to refer the matter to the Standards Committee for a decision on whether to investigate in cases where it is unclear whether a case should be investigated or not or where he or she feels unable to act for some reason. The Monitoring Officer will report to the Standards Committee on the number and nature of complaints received. The Monitoring Officer will also draw to the Committee’s attention areas where training or other action might avoid further complaints.
- 7.4. Where a formal investigation reveals no evidence of failure to comply with the Code of Conduct the Monitoring Officer will inform the member immediately but may refer borderline cases to the Committee for consideration or cases where there is no breach but lessons to be learned.
- 7.5. Where a formal investigation finds that there is evidence of a failure to comply with the Code of Conduct, then a Sub-Committee of the Standards Committee will be convened to hear the allegation. The member against whom the complaint has been made can respond to the investigation report, and the Sub-Committee can determine whether the member did fail to comply with the Code of Conduct and what action, if any, is appropriate as a result.
- 7.6. The Act no longer gives the Council or its Standards Committee any powers to impose sanctions such as suspension, requiring training or an apology although training or an apology can still be a recommendation. Sanctions might therefore include:
  - Censuring or reprimanding the member or recommending the Council to do so;
  - Reporting its findings to Council;
  - Recommending to the member’s Group Leader (or in the case of un-grouped members, recommend to Council) that the member be removed from any or all Committees or Sub-Committees of the Council;
  - Recommending to the Leader of the Council that the member be removed from the Cabinet, or removed from particular Portfolio responsibilities;
  - Requesting the Monitoring Officer to arrange training for the member;

- Recommending to Council or the Cabinet that the member be removed from all outside appointments to which the member has been appointed or nominated by the Authority;
  - Withdrawing facilities provided to the member by the Council e.g. photocopying facilities if that facility was previously abused by the member concerned;
  - Excluding the member from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.
- 7.7. There is no requirement to put in place any appeals mechanism against such decisions. The decision would be open to judicial review by the High Court if it was patently unreasonable, or if it were taken improperly, or if it sought to impose a sanction which the authority had no power to impose.
- 7.8. Accordingly, it is recommended that the following arrangements be adopted for the management and determination of complaints of failure to comply with the Code of Conduct.
- a. the Monitoring Officer be appointed as the Proper Officer to receive and manage the determination of complaints of failure by Members to comply with the Code of Conduct and to advise the Standards Committee and Sub-Committee thereon.
  - b. the Monitoring Officer be authorised to investigate complaints against councillors or to arrange for such an investigation to be carried out or to seek a decision from the Standards Committee on whether to investigate.
  - c. The Monitoring Officer be given delegated power to determine that no further action be taken following a finding that there has been no breach of the Code, subject to consulting the Independent Person (see below).
  - e. That Council delegate to the Hearing Sub-Committee its powers to take decisions in respect of a member who is found on hearing to have failed to comply with the Code of Conduct, such actions to include the actions listed in Paragraph 7.6 above.

## **8. Independent Person(s)**

- 8.1. The "arrangements" adopted by Council must include provision for the appointment by Council of at least one Independent Person. They must be appointed through a process of public advertisement, application and appointment by a positive vote of a majority of all members of the Council (not just of those present and voting).
- 8.2. A person is considered not to be "independent" if:
- he or she is, or has been within the last five years, an elected or co-opted member or an officer of the Council; or
  - he is, or has been within the last five years, an elected or co-opted member of any Committee or Sub-Committee of the Council; or

- he is a relative or close friend of a current elected or co-opted member or officer of the Council , or of any elected or co-opted member of any Committee or Sub-Committee of the Council.
- For this purpose, “relative” comprises:
  - (a) the candidate’s spouse or civil partner;
  - (b) any person with whom the candidate is living as if they are spouses or civil partners;
  - (c) the candidate’s grandparent;
  - (d) any person who is a lineal descendent of the candidate’s grandparent;
  - (e) a parent, brother, sister or child of anyone in paragraphs (a) or (b);
  - (f) the spouse or civil partner of anyone within paragraphs (c), (d) or (e); or
  - (g) any person living with a person within paragraphs (c), (d) or (e) as if they were spouse or civil partner to that person.

### 8.3. An Independent Person

- **must** be consulted by the authority before it makes a finding as to whether a member has failed to comply with the Code of Conduct or decides on action to be taken in respect of that member (this means on a decision to take no action where the investigation finds no evidence of breach or, where the investigation finds evidence that there has been a breach, on any local resolution of the complaint, or on any finding of breach and on any decision on action as a result of that finding);
- **may** be consulted by the authority in respect of a standards complaint at any other stage; and
- **may** be consulted by a member or co-opted member of the Council against whom a complaint has been made although it would not normally be appropriate for an Independent Person who has been consulted by a member against whom a complaint has been made to then also advise the Hearing Sub-Committee on that complaint. For this reason, and to cover any periods of absence, the Council is asked to appoint two Independent Persons.

8.4. Independent Persons will be statutory office holders and will not be employees or contractors of the Council. No fee or salary will be payable and at this stage it is difficult to estimate the time that the duties of the role require. However those appointed will incur travel, subsistence and ICT costs and it is suggested that a small annual allowance to cover these costs would be appropriate.

8.5. The role has recently been advertised in accordance with the statutory requirements including an annual expense allowance of £500. Five applications were received and following a competency-based assessment, three candidates were interviewed by the Council’s and Fire Authority’s monitoring officers. **Following consultation with the Chairman and a cross party panel of members the following two candidates are recommended for appointment:**

#### **Mr Norman Hodson**

Mr. Hodson is a retired chartered engineer and former independent standards committee member with Maldon District Council. He demonstrated a substantial match with the person specification for the role. He has an established interest in

public sector governance and a good understanding of the pressures and demands on local authority elected members. He has experience of dealing with workplace misconduct issues and has dealt with standards issues at Maldon. He had a good appreciation of the added value an independent contribution could make to standards issues.

### **Mr Jonathan Swan**

Mr Swan is employed as a training director and serves as a JP. He has been a standards committee member with the London Borough of Newham and Chelmsford City Council. He is currently a governor with Anglia Ruskin University and Chelmsford College. Mr Swan is a full match with the specification. He has experience of governance issues in local government and banking, demonstrated a good understanding of the issues of public life and evidenced a sensible proportionate approach to the problems that can occur. He was convincing in demonstrating how he would analyse and advise on complex cases.

## **9. The Register of Members' Interests**

- 9.1. As already mentioned above, the Localism Act 2011 and the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 introduce a new category of Disposable Pecuniary Interests ("DPIs"). These require registration with the Monitoring Officer and, where they relate to matters to be considered at a meeting of the Council, preclude participation in discussion, or voting, in that matter. The Monitoring Officer wrote to all members in early July 2012 inviting registration of their DPIs and, in line with the statutory requirement, those of their spouse or partner. The precise wording of these statutory provisions has attracted criticism with some suggestion that having made their initial disclosure for registration, members have no responsibility to review and update until re-elected. The DCLG resist this interpretation but to avoid any risk of illegality Members should review and, if necessary, update their registration at regular intervals.
- 9.2. The Act also requires the Council's Code to contain appropriate requirements for the registration (and disclosure) of Other Pecuniary Interests and non-pecuniary interests. The draft Code recommended for adoption includes recent contracts with and tenders submitted to the Council as Other Pecuniary Interests and substantially continues the definition of non-pecuniary interests contained in the existing Code.
- 9.3. In so far as the Code of Conduct which the Council adopts requires registration of other interests, failure to do so would not be a criminal offence, but a failure to comply with the Code of Conduct.

## **10. Disclosure of Interests and Withdrawal from Meetings**

- 10.1. Under the draft Code attached the duty to disclose and withdraw arises whenever a member attends any meeting of Council, a committee or sub-committee, or of Cabinet or a Cabinet committee, and is aware that he/she has a DPI or Other Pecuniary Interest in any matter being considered at the meeting. This applies even if:
  - the interest has been disclosed to the Monitoring Officer and registered
  - the member intends to be absent from that part of the meeting where the matter in question is to be considered.

If a member has a DPI in any matter, he/she must not participate

- In any discussion of the matter at the meeting. The Act does not define “discussion”, but this would appear to preclude making representations as currently permitted under paragraph 12(2) of the model Code of Conduct; or
- in any vote on the matter,

unless he/she has obtained a dispensation from the Standards Committee or Sub-Committee allowing him/her to speak and/or vote. Failure to comply with the requirements in relation to DPIs is a criminal offence.

10.2. The Council’s Code of Conduct includes provision for disclosure of all other interests as defined in the Code but failure to comply with these requirements would be a breach of the Code of Conduct and not a criminal offence.

## **11. Sensitive Interests**

11.1. The Act effectively re-enacts the existing Code of Conduct provisions on Sensitive Interests. Where a member is concerned that disclosure of the detail of an interest (either a DPI or any other interest which he/she would be required to disclose) at a meeting or on the register of members’ interests would lead to the member or a person connected with him/her being subject to violence or intimidation, he/she may request the Monitoring Officer to agree that the interest is a “sensitive interest”.

If the Monitoring Officer agrees, the member then merely has to disclose the existence of an interest, rather than the detail of it, at a meeting, and the Monitoring Officer can exclude the detail of the interest from the published version of the register of members’ interests.

## **12. Dispensations**

12.1. The provisions on dispensations are significantly changed by the Localism Act 2011. In future, a dispensation will be able to be granted by the Standards Committee or Sub-Committee in the following circumstances:

- i. so many members of the decision-making body have DPIs in a matter that it would impede the transaction of the business. In practice this means that the decision-making body would be inquorate as a result;
- ii. without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter;
- iii. the authority considers that the dispensation is in the interests of persons living in the authority’s area;
- iv. without a dispensation, no member of the Cabinet would be able to participate on this matter; or
- v. the authority considers that it is otherwise appropriate to grant a dispensation.

12.2. Any grant of a dispensation must specify how long it lasts for, up to a maximum of 4 years.

12.3. Whereas the Local Government Act 2000 required that dispensations be granted by Standards Committee, the Localism Act now gives discretion for this power to be delegated to a committee or a sub-committee. The recommended terms of reference for the Standards Joint Committee and Sub-Committee include delegated authority to deal with dispensations.

**13. Relevance to ECC's Corporate Plan and other Strategic Plans.**

The proposals set out in this paper are wholly consistent with the Council's Code of Governance, the Leader and Chief Executive's Governance Statement and the Council's Annual Governance Statement for 2011/12 all of which embed the Nolan principles.

**14. Internal and External Consultation**

The Joint Standards Committee and a Task and Finish Group of Essex County members who currently sit on the committee has been consulted on the proposed draft and will be consulted again in the coming weeks.

**15. Legal Implications**

The Council is legally obliged to adopt a Code of Conduct and may establish a Standards Committee for the purpose of managing complaints of misconduct by councillors. Other legal implications are addressed in the body of the report.

**16. Finance and Resources Implications**

There are no financial implications arising from this report.

**17. Human Resources Implications**

There are no HR implications arising from this report.

**18. Equality Impact Assessment**

The Code of conduct prohibits members from doing anything that would breach the equality enactments.

**19. Background Papers**

None

**ESSEX COUNTY COUNCIL**

**Localism Act 2011**

**Promoting and Maintaining High Standards of  
Conduct in Local Government**

**CODE OF MEMBER CONDUCT**

# CODE OF MEMBER CONDUCT

## 1. Introduction and Interpretation

1.1. As a Member you are a representative of the Essex County Council ('the Authority') and the public will view you as such. 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.

1.2. This Code as a whole is consistent with the "Nolan Principles" which are set out in **Appendix 1** and the provisions of S.29(1) of the Localism Act 2011.

1.3. In this Code

**"meeting"** means any meeting listed in the Authority's Members' Allowance Scheme regardless of whether your attendance is an approved duty including meetings of the Authority, the Cabinet and any of the Authority's or its Cabinet's committees, sub-committees, joint committees, joint sub-committees or area panels.

**"relevant period"** means the period of 12 months ending with the day on which you give notification to the Authority's Monitoring Officer of any disclosable pecuniary interests you had at the time of the notification.

**"profit or gain"** includes any payments or benefits in kind.

**"beneficial interest"** means having an economic benefit as a legal owner or holding it on trust for the beneficial owner, having a right to the income from the land or securities or a share in it or the right to the proceeds of sale or share of part of the proceeds of sale.

**"Member"** includes a co-opted member.

1.4. This Code applies to all Members of the Authority. It is your responsibility to comply with the provisions of this Code.

1.5. You must comply with this Code whenever you conduct the business of the Authority, or you are acting as a representative of the Authority.

1.6. Where you act as a representative of the Authority:

(a) on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or

(b) on any other body, you must, when acting for that other body, comply with the Authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

## 2. General Obligations

2.1. You must treat others with respect.

2.2. You must uphold the law.

2.3. You must not

- (i) do anything which may cause the Authority to breach any of the provisions of the Equality Act 2010 or subsequent equality legislation;
- (ii) bully any person;
- (iii) intimidate or attempt to intimidate any person who is or is likely to be:
  - (a) a complainant;
  - (b) a witness; or
  - (c) involved in the administration of any investigation or proceedings, in relation to an allegation that a Member (including yourself) has failed to comply with the Authority's code of conduct; or
- (iv) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, the Authority.

### **3. Confidential Information**

3.1. You must 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; or
- (ii) you are required by law to do so; or
- (iii) the disclosure is made to a third party for the purpose of obtaining professional 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.

3.2. You must not prevent another person from gaining access to information to which that person is entitled by law.

### **4. Conferring an Advantage or Disadvantage**

4.1. You must:

- (i) not use or attempt to use your position as a Member improperly to confer on or to secure for yourself or any other person, an advantage or disadvantage financial or otherwise;
- (ii) when using or authorising the use by others of the resources of the Authority
  - i. act in accordance with the Authority's reasonable requirements;
  - ii. ensure that such resources are not used improperly for political purposes (including party political purposes);

- (iii) have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

## **5. Disclosable Pecuniary Interests**

5.1 **Disclosable Pecuniary Interests** are those defined as such in the Localism Act 2011 and the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 and any subsequent amending legislation.

***For the guidance of Members the following note summarises the statutory definition at October 2012.***

- A. *A member has a Disclosable Pecuniary Interest if it is of a description set out in B below and is either:*
- (1) An interest of the member; or*
  - (2) An interest (of which the member is aware) of a spouse, civil partner or a person the member is living with as a spouse or civil partner.*
- 'Relevant person' means the member or any person referred to in (2) above.*
- B *Disclosable Pecuniary Interests are*
- (1) Any employment, office, trade, profession or vocation carried on for profit or gain;*
  - (2) Any payment or provision of any other financial benefit (other than from the Authority) made or provided within the previous twelve months in respect of any expenses incurred by the member in carrying out duties as a Member, or towards election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992;*
  - (3) Any contract for goods, services or works which has not been fully discharged between the relevant person (or a body in which the relevant person has a beneficial interest) and the Authority;*
  - (4) Any beneficial interest in any land in the Authority's area;*
  - (5) Any licence of any land in the Authority's area (alone or jointly with others) to occupy land for a month or longer;*
  - (6) Any tenancy where to the Member's knowledge (a) the landlord is the Authority and (b) the tenant is a body in which a relevant person has a beneficial interest;*
  - (7) Any beneficial interest in securities of a body where:*
    - 1. that body (to the Member's knowledge) has a place of business or land in the area of the Authority; and*
    - 2. either:*

- (a) *the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or*
- (b) *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.*

## 6. Other Pecuniary Interests

- 6.1. You have an **Other Pecuniary Interest** if it is of a description set out in (i) or (ii) below but not a disclosable pecuniary interest:
- (i) Any contract for goods, services or works between you or a Relevant Person (or a body in which the relevant person has a beneficial interest) and the Authority which has been fully discharged within the last 2 years.
  - (ii) Any tender bid quotation or expression of interest submitted by you or a Relevant Person (or a body in which the relevant person has a beneficial interest) to the Authority within the last 2 years.

## 7. Personal Interests

- 7.1. You have a **Personal Interest** in any matter to be considered at a meeting where:
- (i) it relates to or is likely to affect any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the Council; or
  - (ii) It relates to or is likely to affect any body-
    - a. exercising functions of a public nature;
    - b. directed to charitable purposes; or
    - c. one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);
 of which you are a member or in a position of general control or management; or
  - (iii) a decision in relation to that matter might reasonably be regarded as affecting your wellbeing or the wellbeing or financial position of a friend, relative or close associate to a greater extent than the majority of other council tax payers or inhabitants of the electoral division, affected by the decision.

## 8. Registration of Interests

8.1. Subject to Paragraph 9 (Sensitive Information), you are required by law and this Code, within 28 days of:

- (i) this Code being adopted by or applied to the Council; or
- (ii) your election, re-election or appointment or re-appointment to office (where that is later), or co-opted onto the Council;

to register in the Authority's Register of Members' Interests (maintained by the Monitoring Officer under Section 29(1) of the Localism Act 2011) details of your:

- (i) **Disclosable Pecuniary Interests and**
- (ii) **Other Pecuniary Interests and**
- (iii) **Memberships** of, and positions of **general management and control** with, any body referred to in 7.1.(i) and (ii) above

8.2. You must keep your register of interests up to date by notifying the Monitoring Officer of any changes to your interests referred to above within 28 days of the change occurring or becoming aware of the change.

## 9. Sensitive Information

9.1. Where you have a **Disclosable Pecuniary Interest** or an **Other Pecuniary Interest** and the nature of the interest is such that you and the Council's Monitoring Officer consider that disclosure of details of the interest could lead to you or a person connected with you being subject to violence or intimidation if the interest is entered in the Authority's Register then copies of the Register available for inspection and any published version of the Register should not include details of the interest but may state that you have an interest details of which are withheld under s32(2) of the Localism Act 2011 and/or this paragraph.

9.2. You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under Paragraph 9.1 is no longer sensitive information, notify the Authority's Monitoring Officer.

## 10. Declaration of Interests at Meetings

10.1. Subject to Paragraph 10.2. where you are present at a meeting and have a **Disclosable Pecuniary Interest** or **Other Pecuniary Interest** in a matter to be considered you must disclose to that meeting the existence and nature of that interest and withdraw from the room or chamber where the meeting considering the matter is being held and not participate in any consideration of or voting on the matter unless you have received a dispensation.

10.2. Where you have an interest in any matter to be considered at a meeting which would be disclosable by virtue of Paragraph 10.1 but by virtue of Paragraph 9 (Sensitive Information) details of the interest are not registered in the Authority's published Register of Members' Interests you must declare that you have an interest but need not disclose the nature of the interest.

10.3. Where you are present at a meeting of the Authority and have a **Personal Interest** in a matter to be considered you must:

- (i) disclose to that meeting the existence and nature of that interest; and
- (ii) if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest, withdraw from the room or chamber where the meeting considering the business is being held and not participate in any consideration of, or voting on, the matter unless you have received a dispensation.

## 11. Cabinet Member's Action

11.1. Where you have a **Disclosable Pecuniary Interest** an **Other Pecuniary Interest** or a **Personal Interest** in any executive matter which, were it not for this Paragraph might be discharged by you acting alone, you must take no action in relation to the matter other than to notify the Authority's Monitoring Officer of the existence and nature of that interest. The Monitoring Officer will arrange for the matter to be considered by the Cabinet.

## 12. Disclosure of Interests in Discussions and Correspondence

12.1. If you have a **Disclosable Pecuniary Interest**, an **Other Pecuniary Interest** or a **Personal Interest** in any matter, and it is raised in any discussion or correspondence, whether in person, by telephone or email or otherwise, with any member, employee, contractor or agent of the Authority; you:

- (1) must make a full disclosure of that interest at the outset of any discussions or correspondence, or as soon as the matter is raised and
- (2) must not seek improperly to influence a decision about that matter.

## 13. Register of Gifts and Hospitality

13.1 You must within 28 days of receipt, notify the Authority's Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £25 which you have accepted as a Member from any person or body other than the Authority.

13.2 The Monitoring Officer will place your notification on a public register of gifts and hospitality.

13.3 This duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the Authority for this purpose.

## **MEMBERS' CODE OF CONDUCT - APPENDIX**

### **THE NOLAN PRINCIPLES**

#### **SELFLESSNESS**

To serve only the public interest and never improperly confer an advantage or disadvantage on any person

#### **INTEGRITY**

Not to place themselves in situations where their integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour

#### **OBJECTIVITY**

Make decisions on merit, including when making appointments, awarding Contracts or recommending individuals for rewards or benefits

#### **ACCOUNTABILITY**

To be accountable to the public for their actions and the manner in which they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their Office

#### **OPENNESS**

To be as open as possible about their actions and those of the Council and should be prepared to give reasons for those actions

#### **HONESTY**

Not to place themselves in situations where their honesty may be questioned, should not behave improperly and should, on all occasions, avoid the appearance of such behaviour

#### **LEADERSHIP**

Should promote and support these principles by leadership and by example and should always act in a way that secures or preserves public confidence