

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No.

meeting date: TUESDAY, 12 JUNE 2012
 title: IMPLEMENTING THE LOCALISM ACT 2011 – CODE OF CONDUCT AND STANDARDS
 submitted by: CHIEF EXECUTIVE
 principal author: DIANE RICE – HEAD OF LEGAL AND DEMOCRATIC SERVICES

1 PURPOSE

1.1 To formulate recommendations to Council relating to:

- the adoption of a new Code of Conduct for Ribble Valley Borough Council;
- arrangements to be put in hand to discharge the Council's obligations relating to maintaining and promoting high standards of conduct by its Members and any co-opted Members and dealing with allegations made about Members who may have breached the Code.

1.2 Relevance to the Council's ambitions and priorities:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Council Ambitions - } • Community Objectives - } • Corporate Priorities - } • Other Considerations - } | <p>The Council aims to be a well-managed Council. Clear guidance for Members assists Members and the public to deal with the many situations which form part of the Members' role.</p> |
|---|--|

2 BACKGROUND

2.1 These matters have been considered previously by Policy and Finance and Standards committee, however no recommendations had been finalised.

2.2 The Leader and Chief Executive requested that the group of Members who had assisted in considering the arrangements for Overview and Scrutiny should be asked to consider the most appropriate arrangements for this Council to implement the Localism Act 2011 in relation to the Code of Conduct and Member Conduct.

2.3 The group met on 1 June 2012 to consider the matters described in the brief note attached.

Code of Conduct

2.4 The group considered the three Codes set out at Appendices 1-3 of the note.

2.5 The group noted that Council's existing Code of Conduct is familiar to all, is relatively detailed and is well understood by Parish Council Members, having been in existence for several years.

- 2.6 However, the group consider the Code is too prescriptive and preferred the LGA (Local Government Association) and DCLG (Department for Communities and Local Government) codes.
- 2.7 After careful discussion, the group recommend that the most appropriate Code to reflect the aspirations of the Council is that drafted by the DCLG.
- 2.8 Members of Committee will be aware that in addition to the matters set out in the current draft Code, further regulations are awaited relating to the need to register all disclosable pecuniary and non-pecuniary interests. The regulations are currently in draft form, therefore the final Code submitted to Full Council for approval in July, whilst reflecting the recommendation of Policy and Finance Committee, will also have additional clauses to deal with disclosable interests.

Arrangements for Maintaining High Standards of Member Conduct and Investigating Complaints

- 2.9 The group recommend that the duties of the current Standards Committee should be carried out by other Council Committees due to the relatively limited amount of work that the Standards Committee has had to date. The role and functions of the current Standards Committee are as set out at Appendix 5 of the attached note. The majority of these responsibilities should be transferred to Accounts and Audit Committee with Policy and Finance Committee retaining responsibility for the Code of Conduct.
- 2.10 If Policy and Finance Committee endorse these recommendations an amended terms of reference will be prepared for approval by Full Council. Thereafter the Accounts and Audit Committee will determine how complaints will be investigated.
- 2.11 The group was satisfied that the Accounts and Audit Committee had sufficient Members to undertake the new duties without any change to its composition.

3 RISK ASSESSMENT

3.1 The approval of this report may have the following implications

- Resources – N/A.
- Technical, Environmental and Legal – N/A.
- Political – N/A.
- Reputation – Clear procedures should contribute to ensuring the Council has the confidence of local residents.
- Equality & Diversity – N/A.

5 RECOMMENDED THAT COMMITTEE

- 5.1 Recommend to Council that the DCLG code should form the basis of the Council's Code of Conduct, modified to reflect the final regulations in respect of disclosable pecuniary and non-pecuniary interests.

- 5.2 Recommend to Council that the Council's duties under the Localism Act relating to Member conduct, promoting high standards of Member conduct and investigating complaints be discharged by the Council's Accounts and Audit Committee.
- 5.3 Authorise the Head of Legal and Democratic Services to prepare new terms of reference for Policy and Finance and Accounts and Audit Committees for approval by Council.

MARSHAL SCOTT
CHIEF EXECUTIVE

DIANE RICE
HEAD OF LEGAL AND DEMOCRATIC SERVICES

For further information please ask for Diane Rice, extension 4418.

120612/DER/EL

MEETING 1 JUNE 2012 AT 10AM

NOTE FOR MEMBERS RELATING TO THE REQUIREMENTS PLACED ON THE COUNCIL BY THE LOCALISM ACT 2011 TO ADOPT A REPLACEMENT FOR THE CURRENT CODE OF CONDUCT AND MAKE ARRANGEMENTS TO REPLACE THE EXISTING STANDARDS COMMITTEE

Code of Conduct

The Council's current Code of Conduct is based on the statutory model which was introduced by the Local Government Act 2000 and which was last updated in September 2007. It is very similar to the codes currently used by the County Council and Parish Councillors.

The Localism Act altered the requirements relating to the Code of Conduct by removing the model code and substituting a requirement for all local authorities to adopt a Code of Conduct which when viewed as a whole, is consistent with the normal principles of public life. The new code also has to include rules in respect of the registration and disclosure of pecuniary interests and non-pecuniary interests.

Regulations are in draft form relating to the declaration and registration of interests.

The purpose of referring this matter to the group is to assist the Council to decide in principle what type of new code to adopt. There are currently three codes in circulation, namely

see Appendix 1 – a draft produced by the Local Government Association,

see Appendix 2 – a draft produced by the DCLG,

see Appendix 3 – the Council's current Code of Conduct, which could be retained by the Council.

All three will need amendment once the final regulations for pecuniary interests have been finalised.

All three should meet the requirements of the Localism Act.

In the alternative the Council could draft its own Code. The disadvantage of this would be that, once the Code is in force and possibly has to be enforced or interpreted no similar code, or cases, would exist for comparison/precedent purposes.

Members of the group are asked to recommend to Policy and Finance Committee, which meets on 12 June 2012, which of the three options they consider is most appropriate for this Council. The final decision will be made by Full Council at its meeting in July following a recommendation from Policy and Finance Committee.

Standards

The Council's current Standards Committee will cease to operate with effect from 1 July 2012. The Council must decide what arrangements it will make to comply with its obligations under the Localism Act, which are briefly as follows:

The Council retains an obligation to promote and maintain high standards of conduct by its Members and any co-opted Members and will also have to have arrangements in place to deal with allegations made against Members.

The current Standards Committee considered a report on the matter in February 2012 and a copy of the minute of that Committee is attached at Appendix 4.

The first issue the Council has to decide is whether the duties of the existing Standards Committee should remain those of a separate Committee or should be added to the duties of another Committee.

If a separate Committee is formed, there is an additional cost for the Council relating to meeting and member costs (the Chairman of the Standards Committee will probably receive an allowance in line with that of the current co-opted Chair, namely £948, not the full Chairman's allowance of £5,689).

As all the indications from Members and the Standards committee are that this Council will maintain a separate Standards Committee – a copy of the current Terms of Reference is attached as Appendix 5. If Members considered the duties of the Standards Committee should be taken by another Committee, then the most appropriate Committee, based on the Council's current committee arrangements be the Accounts and Audit Committee, attached as Appendix 6 is a copy of the Committee's terms of reference.

Full Council would have to approve the terms of reference of the Committee and the number of Members, appointment of Chairman and Vice Chairman.

In order that Members can determine whether the terms of reference need amendment, Members are therefore asked to consider whether they endorse the creation of a Standards Committee and if so to agree the terms of reference and composition of the Committee.

The Standards Committee would then meet and create the necessary procedures to ensure that it was able to investigate complaints etc.

In summary, Members are asked to advise re

1. The Code of Conduct most appropriate for this Council.
2. The retention of a separate Standards Committee of adding the duties to those of Accounts and Audit or another Committee.
3. The terms of reference to reflect the advice given at 2.
4. The composition of either the Standards Committee or any changes needed to the alternative.

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.

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'.¹

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.

¹ 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.

THE RIBBLE VALLEY BOROUGH COUNCIL CODE OF CONDUCT

Preamble

This is the Code of Conduct which Members of Ribble Valley Borough Council agree to adhere to.

The following principles of public life are the general principles which govern the conduct of members of local authorities and define the standards that members should uphold.

1. **Helpfulness**
2. **Honesty and integrity** – members should not place themselves in a situation where their honesty and integrity may be questioned, should not behave improperly, and should on all occasions avoid the appearance of such behaviour.
3. **Objectivity** – members should make decisions on merit including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.
4. **Accountability** – members should be accountable to the public for their actions and the manner in which they carry out their responsibilities, and should cooperate fully and honestly with any scrutiny appropriate to their particular office.
5. **Openness** – members should be as open as possible about their actions and those of their Authority and should be prepared to give reasons for those actions.
6. **Personal Judgement** – members may take account of the views of others including their political groups but should reach their own conclusions on the issues before them and act in accordance with those conclusions.
7. **Respect of Others** – members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, religion, gender, sexual

orientation or disability. They should respect the impartiality and integrity of the Authority's statutory officers and its other employees.

8. **Duty to Uphold the Law** – members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.
9. **Stewardship** – members should do whatever they are able to do to ensure that their Authority use their resources prudently, and in accordance with the law.
10. **Leadership** – members should promote and support these principles by leadership and by example and should act in a way that secures or preserves public confidence.

Code of Conduct

Part 1

General Provisions

Introduction and interpretation

1

- (1) This Code applies to **you** as a member of an authority.
- (2) You should read this Code together with the general principles prescribed by the Secretary of State.
- (3) It is your responsibility to comply with the provisions of this Code.
- (4) 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, joint sub-committees, or area committees;"member" includes a co-opted member and an appointed member.
- (5) In relation to a parish council, references to an authority's monitoring officer and an authority's standards committee shall be

read, respectively, as references to the monitoring officer and the standards committee of the district council or unitary county council which has functions in relation to the parish council for which it is responsible under section 55(12) of the Local Government Act 2000.

Scope

2

- (1) Subject to sub-paragraphs (2) to (5), you must comply with this Code whenever you:
 - (a) conduct the business of your authority (which, in this Code, includes the business of the office to which you are elected or appointed); or
 - (b) act, claim to act or give the impression you are acting as a representative of your authority,
and references to your official capacity are construed accordingly.
- (2) Subject to sub-paragraphs (3) and (4), this Code does not have effect in relation to your conduct other than where it is in your official capacity.
- (3) In addition to having effect in relation to conduct in your official capacity, paragraphs 3(2)(c), 5 and 6(a) also have effect, at any other time, where that conduct constitutes a criminal offence for which you have been convicted.
- (4) Conduct to which this Code applies (whether that is conduct in your official capacity or conduct mentioned in sub-paragraph (3)) includes a criminal offence for which you are convicted (including an offence you committed before the date you took office, but for which you are convicted after that date).
- (5) Where you act as a representative of your 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 your authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

General obligations

3

- (1) You must treat others with respect.
- (2) You must not:
 - (a) do anything which may cause your authority to breach any of the equality enactments (as defined in section 33 of the Equality Act 2006);
 - (b) bully any person;
 - (c) intimidate or attempt to intimidate any person who is or is likely to be:
 - (i) a complainant,
 - (ii) a witness, or
 - (iii) involved in the administration of any investigation or proceedings,in relation to an allegation that a member (including yourself) has failed to comply with his or her authority's code of conduct; or
 - (d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, your authority.
- (3) In relation to police authorities and the Metropolitan Police Authority, for the purposes of sub-paragraph (2)(d) those who work for, or on behalf of, an authority are deemed to include a police officer.

4

You must not:

- (a) 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 advice provided that the third party agrees not to disclose the information to any other person; or
 - (iv) the disclosure is:
 - (aa) reasonable and in the public interest; and
 - (bb) made in good faith and in compliance with the reasonable requirements of the authority; or
- (b) prevent another person from gaining access to information to which that person is entitled by law.

5

You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or authority into disrepute.

6

You:

- (a) must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage; and
- (b) must, when using or authorising the use by others of the resources of your authority:
 - (i) act in accordance with your authority's reasonable requirements;
 - (ii) ensure that such resources are not used improperly for political purposes (including party political purposes); and
- (c) must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

7

- (1) When reaching decisions on any matter you must have regard to any relevant advice provided to you by:
 - (a) your authority's chief finance officer; or

(b) your authority's monitoring officer,
where that officer is acting pursuant to his or her statutory duties.

(2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.

Part 2

Interests

Personal interests

8

(1) You have a personal interest in any business of your authority where either:

(a) it relates to or is likely to affect:

(i) 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 your authority;

(ii) any body:

(aa) exercising functions of a public nature;

(bb) directed to charitable purposes; or

(cc) 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;

(iii) any employment or business carried on by you;

(iv) any person or body who employs or has appointed you;

(v) any person or body, other than a relevant authority, who has made a payment to you in respect of your

election or any expenses incurred by you in carrying out your duties;

(vi) any person or body who has a place of business or land in your authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);

(vii) any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi);

(viii) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;

(ix) any land in your authority's area in which you have a beneficial interest;

(x) any land where the landlord is your authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;

(xi) any land in the authority's area for which you have a licence (alone or jointly with others) to occupy for 28 days or longer; or

(b) a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of:

(i) (in the case of authorities with electoral divisions or wards) other council tax payers, ratepayers or inhabitants of the electoral division or ward, as the case may be, affected by the decision;

(ii) (in the case of the Greater London Authority) other council tax payers, ratepayers or inhabitants of the Assembly constituency affected by the decision; or

- (iii) (in all other cases) other council tax payers, ratepayers or inhabitants of your authority's area.

(2) In sub-paragraph (1)(b), a relevant person is:

- (a) a member of your family or any person with whom you have a close association; or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph (1)(a)(i) or (ii).

Disclosure of personal interests

9

- (1) Subject to sub-paragraphs (2) to (7), where you have a personal interest in any business of your authority and you attend a meeting of your authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.
- (2) Where you have a personal interest in any business of your authority which relates to or is likely to affect a person described in paragraph 8(1)(a)(i) or 8(1)(a)(ii)(aa), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.
- (3) Where you have a personal interest in any business of the authority of the type mentioned in paragraph 8(1)(a)(viii), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.
- (4) Sub-paragraph (1) only applies where you are aware or ought reasonably to be aware of the existence of the personal interest.

- (5) Where you have a personal interest but, by virtue of paragraph 14, sensitive information relating to it is not registered in your authority's register of members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.
- (6) Subject to paragraph 12(1)(b), where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.
- (7) In this paragraph, "executive decision" is to be construed in accordance with any regulations made by the Secretary of State under section 22 of the Local Government Act 2000.

Prejudicial interest generally

10

- (1) Subject to sub-paragraph (2), where you have a personal interest in any business of your authority you also have a prejudicial interest in that business where 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.
- (2) You do not have a prejudicial interest in any business of the authority where that business:
 - (a) does not affect your financial position or the financial position of a person or body described in paragraph 8;
 - (b) does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 8; or
 - (c) relates to the functions of your authority in respect of:
 - (i) housing, where you are a tenant of your authority provided that those functions do not relate 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 are a parent governor

- of a school, unless it relates particularly to the school which the child attends;
- (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.

Prejudicial interests arising in relation to overview and scrutiny committees

11

You also have a prejudicial interest in any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where:

- (a) 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
- (b) 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 (a) and you were present when that decision was made or action was taken.

Effect of prejudicial interests on participation

12

- (1) Subject to sub-paragraph (2), where you have a prejudicial interest in any business of your authority:

- (a) you must withdraw from the room or chamber where a meeting considering the business is being held:
 - (i) in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;
 - (ii) in any other case, whenever it becomes apparent that the business is being considered at that meeting;
 unless you have obtained a dispensation from your authority's standards committee;
- (b) you must not exercise executive functions in relation to that business; and
- (c) you must not seek improperly to influence a decision about that business.

- (2) Where you have a prejudicial interest in any business of your authority, you may attend a meeting (including 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 purpose, whether under a statutory right or otherwise.

Part 3

Registration of Members' Interests

13

- (1) Subject to paragraph 14, you must, within 28 days of:
 - (a) this Code being adopted by or applied to your authority; or
 - (b) your election or appointment to office (where that is later),

register in your authority's register of members' interests (maintained under section 81(1) of the Local Government Act 2000) details of your personal interests where they fall within a category mentioned in paragraph 8(1)(a), by providing written notification to your authority's monitoring officer.

- (2) Subject to paragraph 14, you must, within 28 days of becoming aware of any new personal interest or change to any personal interest registered under paragraph (1), register details of that new personal interest or change by providing written notification to your authority's monitoring officer.

Sensitive information

14

- (1) Where you consider that the information relating to any of your personal interests is sensitive information, and your authority's monitoring officer agrees, you need not include that information when registering that interest, or, as the case may be, a change to that interest under paragraph 13.
- (2) You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under paragraph (1) is no longer sensitive information, notify your authority's monitoring officer asking that the information be included in your authority's register of members' interests.
- (3) In this Code, "sensitive information" means information whose availability for inspection by the public creates, or is likely to create, a serious risk that you or a person who lives with you may be subjected to violence or intimidation.

Minutes of Standards Committee

Meeting Date: Wednesday, 1 February 2012 starting at 6.30pm
 Present: B Dearing (Chairman)

Councillors:

S Hirst
 M Robinson
 D T Smith (left at 7pm)
 D Taylor

Parish Councillors:

E Law-Riding
 D Moon
 P Whittaker
 P Young

Independent Members:

P Walsh
 G Wilkinson

In attendance: Head of Legal and Democratic Services.

706

APOLOGIES

There were no apologies for absence.

707

MINUTES

The minutes of the meeting held on 15 June 2011 were approved as a correct record and signed by the Chairman.

708

DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

709

PUBLIC PARTICIPATION

There was no public participation.

710

REFERENCES FROM OVERVIEW AND SCRUTINY COMMITTEE

There were no references from Overview and Scrutiny Committee.

711

IMPLEMENTING THE PROVISIONS OF THE LOCALISM ACT 2011

The Head of Legal and Democratic Services submitted a report describing the changes arising from the Localism Act 2011 relating to standards and

governance and ways in which this Committee could contribute to planning the steps necessary for the Council to implement the new regime. The report informed Committee that the Localism Act 2011 made fundamental changes to the system for regulating the standard of conduct of elected and co-opted councillors. It outlined some of the major changes made by the Act with regards to the actual Standards Committee, the Code of Conduct, misconduct complaints, independent persons, register of Members interests, disclosure of interests and withdrawal from meetings, and dispensations. Committee discussed various aspects of the changes and acknowledged that this Committee should remain in situ until July 2012 when the new regime would take over. They expressed disappointment that under the new system, the same independent Members of this Committee could not be retained.

RESOLVED: That Committee recommend to Policy and Finance Committee that:

1. the Standards Committee and procedures set out for dealing with complaint should be retained as at present (with the amendment to procedures that a councillor should be told immediately about the nature of a complaint made against them but not the identity of the complainant) until July 2012 where the responsibilities of the Committee should be transferred to a new Standards Committee that should include Parish Council representation if possible;
2. the format of the current Code of Conduct should be retained with relevant modifications made to it to comply with the requirements of the Localism Act 2011;
3. the procedure for dealing with misconduct complaints should be referred to the new Standards Committee;
4. the Monitoring Officer be authorised to put arrangements in hand to recruit two independent persons for the new regime in consultation with a working group of six Members comprising Mr Dearing and Mrs Walsh from the Standards Committee, two representatives from Policy and Finance Committee and two representatives from Personnel Committee;
5. action be deferred on action relating to the register of interest/dispensations/standing order issues, pending further regulations, with a report to be submitted to Full Council on 24 April 2012; and
6. any changes to the Council's constitution be considered by existing the Standards Committee if timing permits.

The meeting closed at 7.15pm.

If you have any queries on these minutes please contact Diane Rice (414418).

POWERS AND DUTIES OF THE COUNCIL AND ITS COMMITTEES
PART 5: CONSTITUTION OF THE STANDARDS COMMITTEE

The Annual Council Meeting will establish a Standards Committee.

1 Composition

1.1 Membership

The Standards Committee will compose of:

- four councillors;
- four persons who are not councillors or officers of the Council or any other body having a standards committee [independent members];
- four members of parish councils wholly or mainly in the Council's area [Parish Members];

1.2 Independent Members

Independent members will be entitled to vote at meetings;

1.3 Parish Members

At least one parish member must be present when matters relating to parish councils or their members are being considered;

2 Role and Function

- 2.1 promoting and maintaining high standards of conduct by councillors and co-opted members;
- 2.2 assisting the councillors and co-opted members to observe the Members' Code of Conduct;
- 2.3 advising the Council on the adoption or revision of the Members' Code of Conduct;
- 2.4 monitoring the operation of the Members' Code of Conduct;
- 2.5 advising, training or arranging to train councillors and co-opted members on matters relating to the Members' Code of Conduct;
- 2.6 granting dispensations to councillors and co-opted members from requirements relating to interests set out in the Members' Code of Conduct;
- 2.7 dealing with any reports from a case tribunal or interim case tribunal and any report from the monitoring officer on any matter which is referred by an ethical standards officer to the monitoring officer.
- 2.8 the exercise of (2.1) to (2.7) above in relation to the parish councils wholly or mainly in its area and the members of those parish councils.

**TERMS OF REFERENCE OF ACCOUNTS AND AUDIT
COMMITTEE**

- 1 To review all matters relating to Internal and External Audit. The Committee will have the right of access to all information it considers necessary and can consult directly with Internal and External Auditors.
- 2 To monitor arrangements for discharging the Council's responsibilities for efficient and effective financial and operational resource management. In pursuing this aim, it will consider:
 - the soundness, adequacy and application of controls;
 - compliance with policies, procedures and statutory requirements;
 - arrangements for safeguarding the Council's assets and interests;
 - the integrity and reliability of management information and financial records;
 - the economic, efficient and effective use of resources.
- 3 To approve the annual Statement of Accounts and receive the External Auditor's Annual Governance Report.
- 4 To approve the Annual Audit Plan of the External Auditor.
- 5 To monitor the External Auditor's progress with the Annual Audit Plan.
- 6 To approve the Annual Internal Audit Plan.
- 7 To monitor Internal Audit progress with the Annual Audit Plan, evaluating the effectiveness of Internal Audit and the use of Audit resources and where necessary recommending adjustments to the Internal Audit Plan.
- 8 To review and comment upon liaison arrangements between Internal and External Audit with a view to optimising the effective deployment of Audit resources.
- 9 To evaluate the adequacy and effectiveness of the Council's financial and operational policies and procedures including financial and accounting management through discussions with the External Auditors, Internal Auditors, and appropriate officers.
- 10 To receive and review the findings of both External and Internal audit examinations and to ensure that management takes appropriate action to implement agreed recommendations and to remedy any internal accounting, organisational and operational control weaknesses identified.
- 11 To receive and comment upon the annual Internal Audit Report and accept the Annual Governance Statement.
- 12 To annually monitor the effectiveness of the Code of Corporate Governance.
- 13 To refer directly to the Council any matters it shall see fit.
- 14 With the Council's Monitoring Officer, to monitor and review the operation of the Constitution to ensure the aims and principles of the Constitution are given full effect.
- 15 To consider and approve any emergency variations from the Council's Financial Regulations and Contractual Standing Orders.

POWERS AND DUTIES OF THE COUNCIL AND ITS COMMITTEES
PART 5: CONSTITUTION OF THE STANDARDS COMMITTEE

The Annual Council Meeting will establish a Standards Committee.

1 Composition

1.1 Membership

The Standards Committee will compose of:

- four councillors;
- four persons who are not councillors or officers of the Council or any other body having a standards committee [independent members];
- four members of parish councils wholly or mainly in the Council's area [Parish Members];

1.2 Independent Members

Independent members will be entitled to vote at meetings;

1.3 Parish Members

At least one parish member must be present when matters relating to parish councils or their members are being considered;

2 Role and Function

- 2.1 promoting and maintaining high standards of conduct by councillors and co-opted members;
- 2.2 assisting the councillors and co-opted members to observe the Members' Code of Conduct;
- 2.3 advising the Council on the adoption or revision of the Members' Code of Conduct;
- 2.4 monitoring the operation of the Members' Code of Conduct;
- 2.5 advising, training or arranging to train councillors and co-opted members on matters relating to the Members' Code of Conduct;
- 2.6 granting dispensations to councillors and co-opted members from requirements relating to interests set out in the Members' Code of Conduct;
- 2.7 dealing with any reports from a case tribunal or interim case tribunal and any report from the monitoring officer on any matter which is referred by an ethical standards officer to the monitoring officer.
- 2.8 the exercise of (2.1) to (2.7) above in relation to the parish councils wholly or mainly in its area and the members of those parish councils.