

REPORT TO: Standards Committee

DATE: 17th July 2012

REPORTING OFFICER: Operational Director Legal and Democratic Services/Monitoring Officer

SUBJECT: Localism Act 2011 – New Code of Conduct

WARDS Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 The Report seeks approval of Members to a New of Code of Conduct, and a recommendation that it be adopted by Council.

2.0 RECOMMENDATION: That

- 1) the Draft Code of Conduct at Appendix 1 of this Report be recommended for adoption by the Council; and**
- 2) the suggested changes to the Constitution contained in paragraph 4 of this report be approved and recommended to Council.**

3.0 SUPPORTING INFORMATION

3.1 The Localism Act 2011 received Royal Ascent on 15th November 2011. All Councils have a statutory duty to promote and maintain high standards of conduct by elected Members and Co-opted Members. In addition, all Town and Parish Councils are under the same duty.

3.2 Whilst the National Model Code of Conduct has been abolished, Councils including Town and Parish Councils must adopt a code of conduct setting out requirements of Members whilst acting in an official capacity. The Code must be consistent with the Nolan Principles of:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

3.3 Councils have long awaited regulations to define the new category of “Disclosable Pecuniary Interests”. Failure to register or disclose such interests will become a criminal offence. The Council also needs to consider what other pecuniary interests and/ or non pecuniary interests they will require Members to register and disclose. The Register can then be finalised and any relevant provision in the Constitution confirmed. The

relevant commencement order has now been made, with an implementation date of 1st July 2012.

3.4 A considerable amount of work has been done in preparing a new Draft Code of Conduct for Members' consideration. Documents issued by the Department of Communities and Local Government and the Local Government Association have been considered as has the National Association of Local Councils Template Code for Parish Councils. Work has taken place amongst Council Solicitors in Cheshire with a view to a Draft Code being submitted for adoption across all of the Cheshire Authorities, to include Town and Parish Councils and the Fire Authority. This Draft is attached as Appendix 1. It aims to:

- be consistent with Nolan Principles and develop them into Member obligations
- balance light touch regulation with clear guidance
- include the obligations set out in the CLG Document
- Contain matters set out in the LGA Template regarding Members behaviour

4.0 ADDITIONAL MATTERS REQUIRING CONSIDERATION

4.1 The Act does not require a Member to withdraw from a Meeting during items of business where they have a pecuniary interest or have disclosed such an interest. However, participation in the discussion or voting will be a criminal offence. The Act provides in Section 31 (10) that Council may agree to make a standing order in the Constitution that Members should be excluded from Meetings where they have a Disclosable Pecuniary Interest. The advantage would be that there could not then be any perception that Members were improperly influencing colleagues by their continued presence.

4.2 The Act does not require disclosure of all registered interests at Meetings in all circumstances. It would, however, seem to be sensible to make a Standing Order requiring such disclosure in the interests of consistency.

4.3 The Act does not require Members to keep their register of Members interests up to date. The previous position was that Members had to notify changes to their Register of Interest within 28 days of the change taking place. This again appears to be good practice and is recommended.

4.4 Although the previous Code of Conduct required disclosure of gifts or hospitality to the value of £25 or greater, the new law does not make any such requirement. It is considered good practice for such declarations to be made.

5.0 POLICY IMPLICATIONS

- 5.1 The Council has a statutory duty to promote and maintain high standards of conduct amongst its Members and Co-opted Members. A strong ethical framework is at the heart of the governance arrangements of the Council and supports decision making.

6.0 OTHER IMPLICATIONS

- 6.1 The Standards provisions in the Localism Act 2011 are being brought into force with effect from 1st July 2012.

7.0 IMPLICATIONS FOR THE COUNCILS PRIORITIES

- 7.1 Children and Young People in Halton

None

- 7.2 Employment Learning and Skills in Halton

None

7.3 A HEALTHY HALTON

None

- 7.4 A Safer Halton

None

- 7.5 Halton's Urban Renewal

None

8.0 RISK ANALYSIS

- 8.1 Failure to adopt an appropriate Code of Conduct would be a breach of the Legislation, and would render the Council open to an array of risks in terms of reputation, decision making, and Corporate Governance.

9.0 EQUALITY AND DIVERSITY ISSUES

- 9.1 The purpose of an amended Code is to assist in transparency of conduct and decision making to the benefit of all sectors of the community.

10.0 LIST OF BACKGROUND PAPERS

- 10.1 DCLG illustrative text
- 10.2 Model Code of Conduct produced by LGA
- 10.3 NALC Draft for Town and Parish Councils

These documents are available for inspection from Mark Reaney
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Building, Widnes.