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7 September 2011

To: Members of the Standards Committee:

Diane Best	Independent Member
Rick Bristow	Parish Council Member
Nigel Cathcart	District Council Member, non-group
Kathy English	Independent Member
Michael Farrar	Parish Member
Roger Hall	District Council Member, Conservative Group
Alan Hampton	Independent Member
John House	Independent Member
Janet Lockwood	District Council Member, Liberal Democrat Group
Simon Martin	Parish Council Member
Cicely Murfitt	District Council Member, non-group
Tony Orgee	District Council Member, Conservative Group
Raith Overhill	Independent Member
Mary Pilfold-Allan	Independent Member
Eric Revell	Independent Member
Alex Riley	District Council Member, Independent Group
Jim Stewart	District Council Member, Liberal Democrat Group
James Williams	Independent Member

and to I Dewar (County Executive Officer, Cambridgeshire & Peterborough Association of Local Councils (CPALC)), for information.

Dear Sir or Madam

This is a supplement to the previously-published agenda for the meeting of **STANDARDS COMMITTEE** on **WEDNESDAY, 14 SEPTEMBER 2011**, containing those reports which had not been received by the original publication deadline.

Yours faithfully  
**JEAN HUNTER**  
Chief Executive

Requests for a large print agenda must be received at least 48 hours before the meeting.

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## AGENDA

- |  | PAGES         |
|--|---------------|
| <b>14. Operation of National Codes of Conduct and other statutory functions of the Monitoring Officer</b><br><b>To note</b> the proposed amendments to the Localism Bill as moved by members of the House of Lords on 5 September 2011 and published 7 September 2011. | <b>1 - 10</b> |

Any further updates will be reported orally.

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## Clause 17

### LORD WILLS

174

Page 23, line 2, leave out subsection (1) and insert—

“( ) A relevant authority must adopt a code dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity (referred to in this section as a “financial code of conduct”) and where there is an actual or perceived conflict of interest between their position and their private financial interests.

( ) A relevant authority may also adopt a code dealing with other conduct that is expected of members and co-opted members of the authority when they are acting in that capacity (referred to in this section as a “code of conduct”).”

### LORD BICHARD

### LORD FILKIN

### LORD NEWTON OF BRAINTREE

### LORD TOPE

175

Page 23, line 2, leave out subsections (1) and (2) and insert—

“( ) It is the duty of a relevant authority to adopt a code of conduct drawn up by representatives of local government as specified by the Secretary of State regarding the conduct which is expected of members and co-opted members of relevant authorities in England.

( ) The code of conduct—

(a) must be consistent with the principles of—

(i) selflessness,

(ii) integrity,

(iii) objectivity,

(iv) accountability,

(v) openness,

(vi) honesty, and

(vii) leadership;

(b) must include provisions on registration and declaration of financial and other interests;

(c) may include other provisions that are mandatory; and

(d) may include provisions that are optional.”

### **BARONESS HANHAM**

176

Page 23, line 33, leave out from “section” to end of line 34 and insert “(Delegation of functions by the Greater London Authority) (delegation of functions by the Greater London Authority)”

### **After Clause 17**

### **LORD BICHARD**

### **LORD FILKIN**

### **LORD NEWTON OF BRAINTREE**

### **LORD TOPE**

177

Insert the following new Clause—

“Standards committees

(1) A relevant authority must establish a standards committee to discharge functions in respect of section 17(3) and (4).

(2) The standards committee must be chaired by a person who is not a member or officer of that or another relevant authority and at least 25% of the members of the standards committee must also be independent of a relevant authority.”

178

Insert the following new Clause—

“Appeals

(1) The Secretary of State may appoint a standing appeals panel made up of local government representatives and independent chairs of standards committees.

(2) A member of an authority who has been found to have failed to comply with that authority's code of conduct may appeal the decision of the standards committee to the appeals panel."

## **Clause 18**

### **LORD BICHARD**

### **LORD FILKIN**

### **LORD NEWTON OF BRAINTREE**

### **LORD TOPE**

179

Leave out Clause 18

### **BARONESS HANHAM**

180

Leave out Clause 18 and insert the following new Clause—

"Register of interests

(1) The monitoring officer of a relevant authority must establish and maintain a register of interests of members and co-opted members of the authority.

(2) Subject to the provisions of this Chapter, it is for a relevant authority to determine what is to be entered in the authority's register.

(3) Nothing in this Chapter requires an entry to be retained in a relevant authority's register once the person concerned—

(a) no longer has the interest, or

(b) is (otherwise than transitorily on re-election or re-appointment) neither a member nor a co-opted member of the authority.

(4) In the case of a relevant authority that is a parish council, references in this Chapter to the authority's monitoring officer are to the monitoring officer of the parish council's principal authority.

(5) The monitoring officer of a relevant authority other than a parish council must secure—

(a) that a copy of the authority's register is available for inspection at a place in the authority's area at all reasonable hours, and

(b) that the register is published on the authority's website.

(6) The monitoring officer of a relevant authority that is a parish council must—

(a) secure that a copy of the parish council's register is available for inspection at a place in the principal authority's area at all reasonable hours,

(b) secure that the register is published on the principal authority's website, and

(c) provide the parish council with any data it needs to comply with subsection (7).

(7) A parish council must, if it has a website, secure that its register is published on its website.

(8) Subsections (5) to (7) are subject to section (Sensitive interests)(2).

(9) In this Chapter "principal authority", in relation to a parish council, means—

(a) in the case of a parish council for an area in a district that has a district council, that district council,

(b) in the case of a parish council for an area in a London borough, the council of that London borough, and

(c) in the case of a parish council for any other area, the county council for the county that includes that area.

(10) In this Chapter "register", in relation to a relevant authority, means its register under subsection (1)."

## **After Clause 18**

### **BARONESS HANHAM**

181

Insert the following new Clause—

"Disclosure of pecuniary interests on taking office

(1) A member or co-opted member of a relevant authority 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 the notification is given.

## Page 5

(2) Where a person becomes a member or co-opted member of a relevant authority as a result of re-election or re-appointment, subsection (1) applies only as regards disclosable pecuniary interests not entered in the authority's register when the notification is given.

(3) For the purposes of this Chapter, a pecuniary interest is a "disclosable pecuniary interest" in relation to a person ("M") if it is of a description specified in regulations made by the Secretary of State and either—

(a) it is an interest of M's, or

(b) it is an interest of—

(i) M's spouse or civil partner,

(ii) a person with whom M is living as husband and wife, or

(iii) a person with whom M is living as if they were civil partners,

and M is aware that that other person has the interest.

(4) Where a member or co-opted member of a relevant authority gives a notification for the purposes of subsection (1), the authority's monitoring officer is to cause the interests notified to be entered in the authority's register (whether or not they are disclosable pecuniary interests)."

182

Insert the following new Clause—

"Pecuniary interests in matters considered at meetings or by a single member

(1) Subsections (2) to (4) apply if a member or co-opted member of a relevant authority—

(a) is present at a meeting of the authority or of any committee, sub-committee, joint committee or joint sub-committee of the authority,

(b) has a disclosable pecuniary interest in any matter to be considered, or being considered, at the meeting, and

(c) is aware that the condition in paragraph (b) is met.

(2) If the interest is not entered in the authority's register, the member or co-opted member must disclose the interest to the meeting, but this is subject to section (Sensitive interests)(3).

(3) If the interest is not entered in the authority's register and is not the subject of a pending notification, the member or co-opted member must notify the authority's monitoring officer of the interest before the end of 28 days beginning with the date of the disclosure.

(4) The member or co-opted member may not—

(a) participate, or participate further, in any discussion of the matter at the meeting, or

(b) participate in any vote, or further vote, taken on the matter at the meeting,

but this is subject to section (Dispensations from section (Pecuniary interests in matters considered at meetings or by a single member)(4)).

(5) In the case of a relevant authority to which Part 1A of the Local Government Act 2000 applies and which is operating executive arrangements, the reference in subsection (1)(a) to a committee of the authority includes a reference to the authority's executive and a reference to a committee of the executive.

(6) Subsections (7) and (8) apply if—

(a) a function of a relevant authority may be discharged by a member of the authority acting alone,

(b) the member has a disclosable pecuniary interest in any matter to be dealt with, or being dealt with, by the member in the course of discharging that function, and

(c) the member is aware that the condition in paragraph (b) is met.

(7) If the interest is not entered in the authority's register and is not the subject of a pending notification, the member must notify the authority's monitoring officer of the interest before the end of 28 days beginning with the date when the member becomes aware that the condition in subsection (6)(b) is met in relation to the matter.

(8) The member must not take any steps, or any further steps, in relation to the matter (except for the purpose of enabling the matter to be dealt with otherwise than by the member).

(9) Where a member or co-opted member of a relevant authority gives a notification for the purposes of subsection (3) or (7), the authority's monitoring officer is to cause the interest notified to be entered in the authority's register (whether or not it is a disclosable pecuniary interest).

(10) Standing orders of a relevant authority may provide for the exclusion of a member or co-opted member of the authority from a meeting while any discussion or vote takes place in which, as a result of the operation of subsection (4), the member or co-opted member may not participate.

(11) For the purpose of this section, an interest is "subject to a pending notification" if—

(a) under this section or section (Disclosure of pecuniary interests on taking office), the interest has been notified to a relevant authority's monitoring officer, but



(b) has not been entered in the authority's register in consequence of that notification."

183

Insert the following new Clause—

"Sensitive interests

(1) Subsections (2) and (3) apply where—

(a) a member or co-opted member of a relevant authority has an interest (whether or not a disclosable pecuniary interest), and

(b) the nature of the interest is 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.

(2) If the interest is entered in the authority's register, copies of the register that are made available for inspection, and any published version of the register, must not include details of the interest (but may state that the member or co-opted member has an interest the details of which are withheld under this subsection).

(3) If section (Pecuniary interests in matters considered at meetings or by a single member)(2) applies in relation to the interest, that provision is to be read as requiring the member or co-opted member to disclose not the interest but merely the fact that the member or co-opted member has a disclosable pecuniary interest in the matter concerned."

184

Insert the following new Clause—

"Dispensations from section (Pecuniary interests in matters considered at meetings or by a single member)(4)

(1) A relevant authority may, on a written request made to the proper officer of the authority by a member or co-opted member of the authority, grant a dispensation relieving the member or co-opted member from either or both of the restrictions in section (Pecuniary interests in matters considered at meetings or by a single member)(4) in cases described in the dispensation.

(2) A relevant authority may grant a dispensation under this section only if, after having had regard to all relevant circumstances, the authority—

(a) considers that without the dispensation the number of persons prohibited by section (Pecuniary interests in matters considered at meetings or by a single member)(4) from participating in any particular business would be so

great a proportion of the body transacting the business as to impede the transaction of the business,

(b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business,

(c) considers that granting the dispensation is in the interests of persons living in the authority's area,

(d) if it is an authority to which Part 1A of the Local Government Act 2000 applies and is operating executive arrangements, considers that without the dispensation each member of the authority's executive would be prohibited by section (Pecuniary interests in matters considered at meetings or by a single member)(4) from participating in any particular business to be transacted by the authority's executive, or

(e) considers that it is otherwise appropriate to grant a dispensation.

(3) A dispensation under this section must specify the period for which it has effect, and the period specified may not exceed four years.

(4) Section (Pecuniary interests in matters considered at meetings or by single member)(4) does not apply in relation to anything done for the purpose of deciding whether to grant a dispensation under this section."

## Clause 19

### BARONESS HANHAM

185

Page 24, line 23, leave out from "person" to end of line 32 and insert "commits an offence if, without reasonable excuse, the person—

(a) fails to comply with an obligation imposed on the person by section (Disclosure of pecuniary interests on taking office)(1) or (Pecuniary interests in matters considered at meetings or by a single member)(2), (3) or (7),

(b) participates in any discussion or vote in contravention of section (Pecuniary interests in matters considered at meetings or by a single member)(4), or

(c) takes any steps in contravention of section (Pecuniary interests in matters considered at meetings or by a single member)(8).

(1A) A person commits an offence if under section (Disclosure of pecuniary interests on taking office)(1) or (Pecuniary interests in matters considered at meetings or by a single member)(2), (3) or (7) the person provides information that is false or misleading and the person—

(a) knows that the information is false or misleading, or

(b) is reckless as to whether the information is true and not misleading.”

186

Page 24, line 35, leave out from beginning to “by” and insert “A court dealing with a person for an offence under this section may (in addition to any other power exercisable in the person’s case)”

187

Page 25, line 6, at end insert—

“(8) The Local Government Act 1972 is amended as follows.

(9) In section 86(1)(b) (authority to declare vacancy where member becomes disqualified otherwise than in certain cases) after “2000” insert “or section 19 of the Localism Act 2011”.

(10) In section 87(1)(ee) (date of casual vacancies)—

(a) after “2000” insert “or section 19 of the Localism Act 2011 or”, and

(b) after “decision” insert “or order”.

(11) The Greater London Authority Act 1999 is amended as follows.

(12) In each of sections 7(b) and 14(b) (Authority to declare vacancy where Assembly member or Mayor becomes disqualified otherwise than in certain cases) after sub-paragraph (i) insert—

“(ia) under section 19 of the Localism Act 2011,”.

(13) In section 9(1)(f) (date of casual vacancies)—

(a) before “or by virtue of” insert “or section 19 of the Localism Act 2011”, and

(b) after “that Act” insert “of 1998 or that section”.

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