

DERBYSHIRE COUNTY COUNCIL**19th September 2012****Report of the Director of Legal Services****Standards of Conduct by Members****1. Purpose of the report**

To approve the arrangements for maintaining high standards of conduct by Members and, in particular, to adopt the proposed new Code of Conduct for Members.

2. Information and Analysis

At its meeting on 20th June 2012, the Council:-

- established the new Standards Committee;
- agreed the arrangements for dealing with complaints;
- agreed the process for recruiting three Independent Persons; and
- agreed to the retention of the National Code of Conduct pending the adoption of a new Code.

The recruitment of Independent Persons and the adoption of a new Code of Conduct are considered further, below.

2.1 Independent Persons

At its meeting on 20th June, the Council authorised the Chief Executive, the Director of Legal Services and the Director of Human Resources to commence the process of recruitment of three Independent Persons for appointment by the Council. The recruitment process has now been undertaken and it is recommended that the Council appoints Mr Keith Jackson-Horner, Mr Peter Smith and Ms Saira Ali as Independent Persons.

It is proposed that each Independent Person should be paid an allowance of £125 per session for attendance at meetings, hearings or events.

2.2 The proposed Code of Conduct

At the Council meeting in June, the Council noted that an early task for the new Standards Committee would be to consider the possibility of the Council adopting a new, lighter touch style of Code of Conduct based on a model provided by the Local Government Association (LGA).

Members are aware that the Localism Act has repealed the national model code. However, the Localism Act still requires each authority to have a code of conduct, with each authority having a discretion as to the provisions of its code, provided that it is consistent with the seven “Nolan” Principles of standards in public life:-

- selflessness
- integrity
- objectivity
- accountability
- openness
- honesty
- leadership

Additionally, the Localism Act and supplementary regulations require that an authority’s code of conduct includes the provisions that the authority considers appropriate in respect of the registration and disclosure of Disclosable Pecuniary Interests and other interests.

A proposed new Code for approval and adoption is attached at Appendix 1.

In respect of Disclosable Pecuniary Interests, it is stipulated in the Localism Act that members are required to register and disclose any such interests and authorities have the discretion, by way of standing orders, to require members to withdraw from meetings. The proposed new Code reflects the requirement that Disclosable Pecuniary Interests should be registered and disclosed and it is proposed that the Council’s Standing Orders (the Rules of Procedure) be amended to provide for withdrawal from meetings (see below at paragraph 2.5 and Appendix 3).

In addition to the requirements relating to Disclosable Pecuniary Interests, the draft Code requires Members to register and disclose (but not withdraw from meetings) “Personal Interests” (such as being in a management position on another public body) and to disclose (but not register or withdraw from meetings) “Other Interests” (interests which do not fall into the registerable categories).

Under the former national code, certain interests were exempted from the rules requiring withdrawal from meetings (e.g decisions relating to members’ allowances and the setting of the council tax). However, under the new regime, these interests are no longer excepted and any relaxation of the rules regarding withdrawal from meetings would need to be permitted by way of a dispensation granted by the Standards Committee.

The DCLG has recently published Guidance on members’ interests and it is considered that the proposed new Code and the other ethical

standards arrangements which the Council has put in place are in keeping with this. The Guidance is attached at Appendix 2.

2.3 **Register of Interests**

In accordance with the new legislation and the new Code, Members will be required to register Disclosable Pecuniary and Personal Interests on the Register of Interests. Whilst the Localism Act requires members to register their interests within 28 days of being elected, it is silent in respect of a requirement for members to register interests on the adoption of a new code. However, the Guidance provided by the DCLG (attached at appendix 2) confirms that all sitting councillors need to register their declarable interests. Therefore, the proposed new Code requires Members to register their interests within 28 days of the Code being adopted.

As the proposed Code includes new provisions regarding the disclosure of interests, this also requires changes to the layout of the Register of Interests to be completed by Members. The DCLG Guidance on members' interests comments specifically on the format of the register and provides as follows:-

"Does my spouse's or civil partner's name need to appear on the register of interests?"

*No. For the purposes of the register, an interest of your spouse or civil partner, which is listed in the national rules, is **your** disclosable pecuniary interest. Whilst the detailed format of the register of members' interests is for your council to decide, there is no requirement to differentiate your disclosable pecuniary interests between those which relate to you personally and those that relate to your spouse or civil partner."*

In light of this, it is not proposed that the names of members' spouses or civil partners' should be required to be disclosed. However, it is proposed that the Register will have two columns; the first to detail members' own interests and the second to detail the interests of members' spouses or civil partners.

2.4 **Training**

Arrangements are being made for training Members on the new Code and legislative requirements. A half-day training session will take place on 15th October, with a further session to be held following the 2013 Council elections.

2.5 The Council's Rules of Procedure

As indicated above, the Localism Act enables an authority to provide for the exclusion of a member or co-opted member of an authority from a meeting whilst a matter in which he or she has declared a Disclosable Pecuniary Interest is dealt with. It is, therefore, proposed that the Council's Rules of Procedure (pages 92 to 101 of the current Constitution) be amended to provide for this by inserting a new paragraph 13, with subsequent numbering of the following paragraphs being revised accordingly. It is also proposed that reference to the new paragraph 13 will be made at the current paragraph 15.8 so that this new rule will apply to committee meetings. The proposed new paragraph 13 is attached at Appendix 3.

3. Legal Considerations

Changes to the Constitution may only be approved by the full Council after consideration of the proposals by Standards Committee. These proposals were considered by the Standards Committee on 24th August 2012 and were commended to the Council.

4. Other considerations

In preparing this report the relevance of the following factors have also been considered: financial, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations

5. Background papers

File held by the Director of Legal Services

6. Officer Recommendations

That the Council:-

- (i) approves the appointment of Mr Keith Jackson-Horner, Mr Peter Smith and Ms Saira Ali as Independent Persons.
- (ii) approves and adopts the Code of Conduct for Members at Appendix 1.
- (iii) notes the Guidance provided by the DCLG regarding members' interests at Appendix 2.
- (iv) approves and adopts the proposed amendment to the Council's Rules of Procedure relating to the withdrawal from meetings at Appendix 3.
- (v) notes the proposal for training Members on the new Code.

John McElvaney
Director of Legal Services

Derbyshire County Council

Code of Conduct for Members

Introduction

The public is entitled to expect the highest standards of conduct from all Members of the County Council.

The Code sets out the standards of service that are expected from Members of the Council (including Co-opted Members). In particular, Members should act in an open and transparent manner and should not do anything which would prejudice the reputation of the Council.

It is important for Members to understand their position as regards standards of conduct, and if in any doubt they should seek guidance. This is because, in some circumstances, a breach of the Code could be a criminal offence and because any person could make a complaint to the Council if they believe a Member has breached the Code.

This Code is adopted in accordance with the Localism Act 2011.

1. Application and Scope

- (1) This Code of Conduct applies to you whenever you are acting in your capacity as a Member of Derbyshire County Council, including:-
 - (i) at formal meetings of the Council, its Committees and Sub-Committees, its Cabinet and Cabinet Committees
 - (ii) when acting as a representative of the Council
 - (iii) in taking any decision as a Cabinet Member or a Councillor
 - (iv) in discharging your functions as a Councillor

- (v) at briefing meetings with officers and
 - (vi) at site visits
- (2) This Code does not have effect in relation to your conduct other than where it is in your official capacity.

2. Principles

In your capacity as a Member, you must act in accordance with the Council's Code of Conduct which is consistent with the following principles specified in the Localism Act 2011:-

- (1) **SELFLESSNESS:** Holders of public office should act solely in the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or friends.
- (2) **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.
- (3) **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.
- (4) **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.
- (5) **OPENNESS:** Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

APPENDIX 1

(6) **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 interests.

(7) **LEADERSHIP:** Holders of public office should promote and support these principles by leadership and example

3. Obligations

As a Member of Derbyshire County Council, your conduct should, in particular, address the statutory principles in the Code of Conduct by:-

- (1) championing the needs of residents, including the whole community and, in a special way, your constituents, including those who did not vote for you, and putting their interests first.
- (2) Dealing with representations or enquiries from residents, members of the community and visitors fairly, appropriately and impartially.
- (3) Not allowing other pressures, including the financial interests of yourself or others connected to you, to deter you from pursuing constituents' case work, the interests of Derbyshire County Council or the good governance of Derbyshire County Council in a proper manner.
- (4) Exercising independent judgement and not compromising your position by placing yourself under obligations to outside individuals or organisations who might seek to influence the way you perform your duties as a Member of Derbyshire County Council.

APPENDIX 1

- (5) 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.
- (6) Being accountable for your decisions and co-operating when scrutinised internally and externally, including by local residents.
- (7) Contributing to making Derbyshire County Council'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 you and other Members to account, but restricting access to information when the wider public interest or the law requires it.
- (8) Respecting the confidentiality of information which you receive as a member by:
 - (i) not disclosing confidential information to third parties unless required by law to do so or where there is a clear and overriding public interest in doing so; and
 - (ii) not obstructing third parties' legal rights of access to information
- (9) Behaving in accordance with all of Derbyshire County Council's legal obligations, with particular regard to:
 - (i) the Data Protection Act 1998
 - (ii) the Freedom of Information Act 2000
 - (iii) the Bribery Act 2010
 - (iv) the Equality Act 2010
- (10) Having regard to the principles of Derbyshire County Council's policies, protocols and procedures, including those relating to the use of Derbyshire County Council's resources (which must not be used improperly for political purposes including party political purposes).

- (11) Valuing other Members and officers and engaging with them in an appropriate manner and in a manner which underpins the mutual respect between individuals that is essential to good local government and respecting and not bullying any person.
- (12) Always treating people with respect, including the organisations and public you engage with and those you work alongside.
- (13) Providing leadership through behaving in accordance with these principles when championing the interests of the community with other organisations as well as within the Council.

4. Interests

The Localism Act provides for registration and disclosure of interests and in Derbyshire County Council, this will be done as follows:

(1) Disclosable Pecuniary Interests

- (a) You must comply with the statutory requirements to **register**, and **disclose at meetings** a Disclosable Pecuniary Interest as defined in Appendix A. You must not deal with any matters in which you have a Disclosable Pecuniary Interest and you must **withdraw from any meeting room** where it is being discussed unless you have been granted a dispensation¹ to enable you to take part in the discussion of, and/or vote on, that item.

¹ NB In certain circumstances, the Standards Committee has the power to grant a dispensation to allow a Member to participate in any discussion, or vote on any matter notwithstanding that he or she has a Disclosable Pecuniary Interest in that matter. Applications for dispensations should be submitted in writing to the Monitoring Officer.

(b) You have a Disclosable Pecuniary Interest in any business of the Council where it is a pecuniary interest of yours or of:-

- (i) your spouse or civil partner;
 - (ii) a person with whom you are living as husband or wife; or
 - (iii) a person with who you are living as civil partners
- and you are aware that that other person has that interest.

(2) Personal Interests

(a) In addition to the requirements of paragraph 4(1) (a) regarding Disclosable Pecuniary Interests, you must **register** and **disclose at meetings** any interest in any business of the Council where either 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 governing member or in a position of general control or management;

and that interest is not a Disclosable Pecuniary Interest.

(3) Other Interests

(a) In addition to the requirements of paragraphs 4(1) and 4(2) above; if you attend a meeting at which any item of business is to be considered and you are aware that you have an interest in that item, you must make **verbal declaration** of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent.

(b) You have an interest in an item of business of the Council where

(i) a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Council's administrative area; or

(ii) it relates to or is likely to affect any of the interests listed in the Table in Appendix 1 to this Code, but in respect of a member of your family or a person with whom you have a close association (other than a "relevant person") and you are aware that that other person has that interest

and that interest is not a Disclosable Pecuniary Interest or a Personal Interest as described in paragraphs 4(1) and 4(2) above.

(4) Registration of Interests

- (a) You must, within 28 days of:-
 - (i) this Code being adopted by the Council, or
 - (ii) your election or appointment to officenotify the Monitoring Officer in writing of any Disclosable Pecuniary or Personal Interest described in paragraphs 4(1) and 4(2) above.
- (b) You must ensure that the Register of Interests is kept up to date and notify the Monitoring Officer in writing within 28 days of becoming aware of any change in respect of your registrable interests described in paragraphs 4(1) or 4(2), above.
- (c) Following any declaration of a Disclosable Pecuniary Interest or a Personal Interest made in accordance with paragraph 4(1) and 4(2), above which has not been entered in the Register of Interests you must notify the Monitoring Officer of the interest within 28 days of the declaration.

5. Sensitive Interests

- (1) Where you are concerned that the disclosure of an interest would lead to you or a person connected with you being subject to violence or intimidation, you may request the Monitoring Officer to agree that the interest is a sensitive interest.
- (2) If the Monitoring Officer agrees, then you merely have to disclose the existence of the interest rather than the detail of it at a meeting and the Monitoring Officer can exclude the detail of the interest from the Council's publicly available version of the Register.

APPENDIX 1

- (3) You must, within 28 days of becoming aware of any change of circumstances which means that information excluded is no longer a sensitive interest, notify the Monitoring Officer in writing.
- (4) In this Code, “sensitive information” means information the availability of which for inspection by the public creates, or is likely to create, serious risk that you or a person connected with you may be subjected to violence or intimidation.

6. Gifts and Hospitality

- (1) You must, within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £50 which you have accepted as a Member from any person or body other than the Council. You may register gifts of lower value if you consider this to be appropriate.
- (2) The Monitoring Officer will place your notification on a public Register of Gifts and Hospitality.

Appendix A

Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

Interest	Prescribed description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or beneficial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992)
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant

APPENDIX 1

	<p>authority –</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to M's knowledge) –</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest</p>
Securities	<p>Any beneficial interest in securities of a body where –</p> <p>(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either –</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of</p>

APPENDIX 1

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

For this purpose –

“the Act” means the Localism Act 2011;

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant authority (i.e .Derbyshire County Council);

“member” includes a co-opted member;

APPENDIX 1

“relevant authority” means the authority of which M is a member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act namely;

- (i) the Member’s spouse or civil partner
- (ii) a person with whom the Member is living as husband and wife,
or
- (iii) a person with whom the Member is living as if they were civil
partners

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



Department for
Communities and
Local Government

Chief Executives
Principal Local Authorities in England
Greater London Authority
Fire and Rescue Authorities in England
The London Fire and Emergency Planning Authority
The Broads Authority
National Park Authorities in England
Council of the Isles of Scilly

2 August 2012

Dear Colleague,

**OPENNESS AND TRANSPARENCY ON PERSONAL INTERESTS
A GUIDE FOR COUNCILLORS**

I enclose a copy of a letter which Bob Neill has today sent to local authority leaders about a guide for councillors on openness and transparency on personal interests which the Department has now published.

As Bob Neill's letter explains, this guide gives straightforward information about how councillors should be open and transparent about their personal interests, and about how monitoring officers should approach their roles under the new standards arrangements.

I should be grateful if you would please draw the guide and this correspondence to the attention of your monitoring officer. Copies of the guide are available on the Department's web-site.

Any queries about this letter and enclosures should be addressed to the Conduct and Council Constitutions Team on 0303 44 44166 or 0303 44 42584.

Yours sincerely,

Paul Rowsell



Department for
Communities and
Local Government

Bob Neill MP
Parliamentary Under Secretary of State

**Department for Communities and Local
Government**
Eland House
Bressenden Place
London SW1E 5DU

Tel: 0303 444 3430
Fax: 0303 444 3986
E-Mail: bob.neill@communities.gsi.gov.uk

www.communities.gov.uk

To all Local Authority Leaders

Dear Colleague,

I wrote to you on 28 June about the new standards arrangements for council members. I am now writing to let you know that we have today published a guide for councillors on openness and transparency on personal interests.

This is a practical guide which will help all to properly understand the new arrangements and shows clearly how these arrangements strike a common sense balance between accountability of elected representatives and personal privacy. I would hope that you and all members of your council will want to carefully look through the guide – I am sure that you will find it helpful as you go about your day-to-day business as elected members serving your local communities.

The guide gives straightforward information about how councillors should be open and transparent about their personal interests. It makes clear to monitoring officers that any heavy bureaucratic, 'gold plated' approach has no place in the new localist standards arrangements.

The guide equally makes clear that every councillor should be giving their monitoring officer all the information they need to get and keep their register of members' interests up to date. The legal requirements mean that sitting councillors, just like newly elected councillors, should be registering their disclosable pecuniary interests.

Moreover, a member's disclosable pecuniary interests, as the guide explains, include certain interests of their spouse or civil partner. But as the guide also explains, there is no requirement that in the register a member's interest should be differentiated from those of his or her spouse or civil partner or that the names of the spouse or civil partner should be disclosed.

Copies of the guide are available on my Department's web-site. We are confident that this will help all those who have chosen to serve their communities as councillors to ensure that there is openness and transparency about their affairs whilst their legitimate privacy is properly respected.

BOB NEILL MP



Department for
Communities and
Local Government

Openness and transparency on personal interests

A guide for councillors

© Crown copyright, 2012

Copyright in the typographical arrangement rests with the Crown.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk.

This document/publication is also available on our website at www.communities.gov.uk

Any enquiries regarding this document/publication should be sent to us at:

Department for Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU
Telephone: 030 3444 0000

August 2012

ISBN: 978-1-4098-3604-9

The Guide

This guide on personal interests gives basic practical information about how to be open and transparent about your personal interests. It is designed to help councillors, including parish councillors, now that new standards arrangements have been introduced by the Localism Act 2011¹.

Why are there new rules?

Parliament has abolished the Standards Board regime and all the rules under it. It has done this because that centrally-imposed, bureaucratic regime had become a vehicle for petty, malicious and politically-motivated complaints against councillors. Rather than creating a culture of trust and openness between councillors and those they represent, it was damaging, without justification, the public's confidence in local democratic governance.

The new standards arrangements that Parliament has put in place mean that it is largely for councils themselves to decide their own local rules. It is essential that there is confidence that councillors everywhere are putting the public interest first and are not benefiting their own financial affairs from being a councillor. Accordingly, within the new standards arrangements there are national rules about councillors' interests.²

Such rules, in one form or another, have existed for decades. The new rules are similar to the rules that were in place prior to the Standards Board regime. Those rules, originating in the Local Government Act 1972 and the Local Government and Housing Act 1989, involved local authority members registering their pecuniary interests in a publicly available register, and disclosing their interests and withdrawing from meetings in certain circumstances. Failure to comply with those rules was in certain circumstances a criminal offence, as is failure to comply in certain circumstances with the new rules.

Does this affect me?

Yes, if you are an elected, co-opted, or appointed member of:

- a district, unitary, metropolitan, county or London borough council
- a parish or town council
- a fire and rescue authority
- a transport or other joint authority
- a combined authority or an economic prosperity board
- the London Fire and Emergency Planning Authority

¹ The Guide should not be taken as providing any definitive interpretation of the statutory requirements; those wishing to address such issues should seek their own legal advice.

² The national rules are in Chapter 7 of the Localism Act 2011 and in the secondary legislation made under the Act, particularly in The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (S.I. 2012/1464).

- the Broads Authority
- a National Park authority
- the Greater London Authority
- the Common Council of the City of London
- the Council of the Isles of Scilly

How will there be openness and transparency about my personal interests?

The national rules require your council or authority to adopt a code of conduct for its members and to have a register of members' interests.

The national rules require your council's code of conduct to comply with the Seven Principles of Public Life, and to set out how, in conformity with the rules, you will have to disclose and register your pecuniary and your other interests. Within these rules it is for your council to decide what its code of conduct says. An illustrative text for such a code is available on the Department's web site.³

Your council's or authority's monitoring officer (or in the case of a parish council the monitoring officer of the district or borough council) must establish and maintain your council's register of members' interests. Within the requirements of the national rules it is for your council or authority to determine what is to be entered in its register of members' interests.

What personal interests should be entered in my council's or authority's register of members' interests?

Disclosable pecuniary interests, and any other of your personal interests which your council or authority, in particular through its code of conduct, has determined should be registered.

Any other of your personal interests which you have asked the monitoring officer, who is responsible for your council's or authority's register of members' interests, to enter in the register.

What must I do about registering my personal interests?

Under your council's code of conduct you must act in conformity with the Seven Principles of Public Life. One of these is the principle of honesty - that **'holders of public office have a duty to declare any private interests**

³ <http://www.communities.gov.uk/publications/localgovernment/localcodeconduct>

relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest'⁴.

Your registration of personal interests should be guided by this duty and you should give the monitoring officer who is responsible for your council's or authority's register of members' interests any information he or she requests in order to keep that register up to date and any other information which you consider should be entered in the register.

All sitting councillors need to register their declarable interests. Any suggestion that you should tell the monitoring officer about your pecuniary interests only in the immediate aftermath of your being elected is wholly incompatible with this duty, with which you must comply.

If you have a disclosable pecuniary interest which is not recorded in the register and which relates to any business that is or will be considered at a meeting where you are present, you must disclose⁵ this to the meeting and tell the monitoring officer about it, if you have not already done so, so that it can be added to the register. You must tell the monitoring officer within 28 days of disclosing the interest. For this purpose a meeting includes any meeting of your council or authority, of its executive or any committee of the executive, and of any committee, sub-committee, joint committee or joint sub-committee of your authority.

If you have a disclosable pecuniary interest which is not shown in the register and relates to any business on which you are acting alone, you must, within 28 days of becoming aware of this, tell the monitoring officer about it, if you have not already done so, so that it can be added to the register. You must also stop dealing with the matter as soon as you become aware of having a disclosable pecuniary interest relating to the business.

When you are first elected, co-opted, or appointed a member to your council or authority, you must, within 28 days of becoming a member, tell the monitoring officer who is responsible for your council's or authority's register of members' interests about your disclosable pecuniary interests. If you are re-elected, re-co-opted, or reappointed a member, you need to tell the monitoring officer about only those disclosable pecuniary interests that are not already recorded in the register.

What are pecuniary interests?

A person's pecuniary interests are their business interests (for example their employment, trade, profession, contracts, or any company with which they are

⁴ http://www.public-standards.gov.uk/Library/Seven_principles.doc

⁵ If the interest is a sensitive interest you should disclose merely the fact that you have such a disclosable pecuniary interest, rather than the interest. A sensitive interest is one which the member and the monitoring officer, who is responsible for the register of members' interests, consider that disclosure of its details could lead to the member, or a person connected to the member, being subject to violence or intimidation.

associated) and wider financial interests they might have (for example trust funds, investments, and assets including land and property).

Do I have any disclosable pecuniary interests?

You have a disclosable pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest listed in the national rules (see annex). Interests of your spouse or civil partner, following the approach of the rules under the 1972 and 1989 Acts, are included to ensure that the public can have confidence that councillors are putting the public interest first and not benefiting the financial affairs of themselves or their spouse or civil partner from which the councillor would stand to gain. For this purpose your spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

Does my spouse's or civil partner's name need to appear on the register of interests?

No. For the purposes of the register, an interest of your spouse or civil partner, which is listed in the national rules, is **your** disclosable pecuniary interest. Whilst the detailed format of the register of members' interests is for your council to decide, there is no requirement to differentiate your disclosable pecuniary interests between those which relate to you personally and those that relate to your spouse or civil partner.

Does my signature need to be published online? Won't this put me at risk of identity theft?

There is no legal requirement for the personal signatures of councillors to be published online.

Who can see the register of members' interests?

Except for parish councils, a council's or authority's register of members' interests must be available for inspection in the local area, and must be published on the council's or authority's website.

For parish councils, the monitoring officer who is responsible for the council's register of members' interests must arrange for the parish council's register of members' interests to be available for inspection in the district or borough, and must be published on the district or borough council's website.

Where the parish council has its own website, its register of members' interests must also be published on that website.

This is in line with the Government's policies of transparency and accountability, ensuring that the public have ready access to publicly available information.

Is there any scope for withholding information on the published register?

Copies of the register of members' interests which are available for inspection or published must not include details of a member's sensitive interest, other than stating that the member has an interest the details of which are withheld. A sensitive interest is one which the member and the monitoring officer, who is responsible for the register of members' interests, consider that disclosure of its details could lead to the member, or a person connected to the member, being subject to violence or intimidation.

When is information about my interests removed from my council's register of members' interests?

If you cease to have an interest, that interest can be removed from the register. If you cease to be a member of the authority, all of your interests can be removed from the register.

What does having a disclosable pecuniary interest stop me doing?

If you are present at a meeting of your council or authority, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of your authority, and you have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

In certain circumstances you can request a dispensation from these prohibitions.

Where these prohibitions apply, do I also have to leave the room?

Where your council's or authority's standing orders require this, you must leave the room. Even where there are no such standing orders, you must leave the room if you consider your continued presence is incompatible with your council's code of conduct or the Seven Principles of Public Life.

When and how can I apply for a dispensation?

The rules allow your council or authority in certain circumstances to grant a dispensation to permit a member to take part in the business of the authority even if the member has a disclosable pecuniary interest relating to that business. These circumstances are where the council or authority considers that:

- without the dispensation so great a proportion of the council or authority would be prohibited from participating in that business as to impede the council's or authority's transaction of that business,
- without the dispensation the representation of different political groups dealing with that business would be so upset as to alter the likely outcome of any vote,
- the granting of the dispensation is in the interests of people living in the council's or authority's area,
- without the dispensation each member of the council's executive would be prohibited from participating in the business, or
- it is otherwise appropriate to grant a dispensation.

If you would like your council or authority to grant you a dispensation, you must make a written request to the officer responsible for handling such requests in the case of your council or authority.

What happens if I don't follow the rules on disclosable pecuniary interests?

It is a criminal offence if, without a reasonable excuse, you fail to tell the monitoring officer about your disclosable pecuniary interests, either for inclusion on the register if you are a newly elected, co-opted or appointed member, or to update the register if you are re-elected or re-appointed, or when you become aware of a disclosable pecuniary interest which is not recorded in the register but which relates to any matter;

- that will be or is being considered at a meeting where you are present, or
- on which you are acting alone.

It is also a criminal offence to knowingly or recklessly provide false or misleading information, or to participate in the business of your authority where that business involves a disclosable pecuniary interest. It is also a

criminal offence to continue working on a matter which can be discharged by a single member and in which you have a disclosable pecuniary interest.

If you are found guilty of such a criminal offence, you can be fined up to £5,000 and disqualified from holding office as a councillor for up to five years.

Where can I look at the national rules on pecuniary interests?

The national rules about pecuniary interests are set out in Chapter 7 of the Localism Act 2011, which is available on the internet here:

<http://www.legislation.gov.uk/ukpga/2011/20/part/1/chapter/7/enacted>

and in the secondary legislation made under the Act, in particular The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 which can be found here:

<http://www.legislation.gov.uk/uksi/2012/1464/contents/made>

Annex

Description of disclosable pecuniary interests

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your 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. The relevant period is the 12 months ending on the day when you tell the monitoring officer about your disclosable pecuniary interests following your election or re-election, or when you became aware you had a disclosable pecuniary interest relating to a matter on which you were acting alone.
- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.
- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) -
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.

- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - 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 you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

**PROPOSED NEW PARAGRAPH 13 OF THE COUNCIL PROCEDURE RULES
(STANDING ORDERS OF THE COUNCIL)**

Interests

13.1 Where any business of the meeting relates to or is likely to relate to:

- (a) a Disclosable Pecuniary Interest as described at paragraph 4(1) of the Code of Conduct for Members;
- (b) a Personal Interest as described at paragraph 4(2) of the Code of Conduct for Members; or
- (c) any Other Interest as described at paragraph 4(3) of the Code of Conduct for Members.

held by a Member, the Member must, at the commencement of the consideration of that item of business, or as soon as the interest becomes apparent, disclose to the meeting the existence and nature of that interest.

13.2 Where a Member discloses an interest, and that interest is a Disclosable Pecuniary Interest, the Member must withdraw from the meeting room where the item of business is being discussed and, unless the Member has been granted a dispensation by the Standards Committee, he or she may not:

- (a) participate in any discussion of the matter at the meeting
- (b) vote on the matter at the meeting
- (c) continue to deal with that matter

13.3 Disclosures of interests will be recorded in the minutes of the meeting.