



AGENDA ITEM: 5

**STANDARDS COMMITTEE:
14 June 2012**

COUNCIL: 19 June 2012

Report of: Managing Director (People and Places) and Borough Solicitor

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SUBJECT: CODE OF CONDUCT FOR MEMBERS

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To introduce a new Code of Conduct for Members as required by the Localism Act 2011 (the Act).

2.0 RECOMMENDATIONS

2.1 That the Code of Conduct for Members attached as Appendix 1 be adopted with effect from 1 July 2012 and that the Managing Director (People and Places) be authorised to publicise the Code.

2.2 That, when the Disclosable Pecuniary Interests Regulations are published, the Managing Director (People and Places), after consultation with the Chairman of the Standards Committee and the Leader of the Council add to the Code the provisions which are considered to be appropriate for the registration and disclosure of interests other than Disclosable Pecuniary Interests (DPIs).

2.3 That all Parish Councils in West Lancashire be urged to adopt the Code adopted by the Borough Council with effect from 1 July 2012.

3.0 THE LOCALISM ACT 2011

3.1 The Act makes fundamental changes to the system of regulation of standards of conduct for elected and co-opted Councillors. The date for implementation of these changes is 1 July 2012.

3.2 The Council will remain under a statutory duty to promote and maintain high standards of conduct for its elected and co-opted members. The Council's Monitoring Officer is the Managing Director (People and Places).

4.0 THE CODE OF CONDUCT

4.1 The current ten General Principles and Model Code of Conduct will be repealed, and members will no longer have to give an undertaking to comply with the Code of Conduct. However, the Council must adopt a new Code of Conduct governing elected and co-opted member's conduct when acting in that capacity. The Council's new Code of Conduct must, viewed as a whole, be consistent with the following seven principles –

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

4.2 The Council has discretion as to what it includes within its new Code of Conduct, provided that it is consistent with the seven principles. However, regulations to be made under the Act will require the registration and disclosure of "Disclosable Pecuniary Interests" (DPIs), broadly equating to the current prejudicial interests. The provisions of the Act also require an authority's code to contain appropriate requirements for the registration (and disclosure) of other pecuniary interests and non-pecuniary interests. The result is that it is not possible yet to draft Code provisions which reflect the definition of DPIs which will appear in regulations, but it is possible to give an indicative view of what the Council might consider that it might be appropriate to include in the Code in respect of the totality of all interests, including DPIs, other pecuniary interests and non-pecuniary interests. Accordingly, it is sensible for the Managing Director (People and Places) to include in the Code registration and disclosure for those interests which would today amount to personal and/or prejudicial interests, but only require withdrawal for DPIs.

4.3 The Act prohibits members with a DPI from participating in authority business, and the Council can adopt a Council Procedure Rule requiring members to withdraw from the meeting room.

4.4 So the Council's new Code of Conduct has to deal with:

- (a) General conduct rules, to give effect to the seven principles. This corresponds broadly with Paragraphs 3 to 7 of the current Code of Conduct.
- (b) Registration and disclosure of interests other than DPIs – effectively, replacing the current personal interests provisions. The Act requires that the Code contains "appropriate" provisions for this purpose, but, until the regulations are published, defining DPIs, it is difficult to suggest what additional disclosure would be appropriate.

5.0 ADOPTION OF A CODE

- 5.1 Nationally two “model” Codes have emerged within recent weeks; one issued by the Local Government Association (LGA) and one by the Department for Communities and Local Government (DCLG). The model Codes have been produced to assist authorities when preparing their local Codes and authorities are not obliged under the Act to follow either Code. Lancashire County Council (LCC) has recently adopted a “hybrid” Code modelled primarily on the DCLG version but including some elements of the LGA Code. NALC are also producing a Code.
- 5.2 A revised Code of Conduct for West Lancashire Borough Council similar to the LCC Code but suitable to be also adopted by the Parish Councils in West Lancashire is attached at Appendix 1. As with the LCC Code the necessary provisions on Interests will still need to be included within the Code once the Regulations implementing these provisions are issued.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 There are no significant sustainability impacts associated with this report and, in particular no significant impact on crime and disorder. The report has links to the Sustainable Community Strategy through its work with the Parish Councils.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 There is a small budget within Legal and Democracy to handle these matters which if it proves insufficient would require that funding be made available from contingencies. Introducing new arrangements of this nature is time consuming and substantial in-house resource will be required to work on this project. There will be a substantial amount of work arising in relation to Parishes the costs of which cannot be recovered.

8.0 RISK ASSESSMENT

- 8.1 The Council must put in place arrangements in order to comply with the requirements of the Act once relevant sections are brought into effect. Failure to do so or to adhere to suitable arrangements may expose the Council to the risk of judicial review proceedings or Ombudsman action. Any action taken in respect of Members would be proportionate in accordance with the requirements of the Human Rights Act 1998.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required

Appendices

Appendix 1 – Code of Conduct for Members

Appendix 2 – (Council only) Standards Committee Minute

Localism Act 2011 The New Standards Regimer 2012 Code of Conduct