

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COUNCIL

Agenda Item No.

meeting date: TUESDAY, 17 JULY 2012  
 title: APPROVAL OF A CODE OF CONDUCT  
 submitted by: MARSHAL SCOTT – CHIEF EXECUTIVE  
 principal author: DIANE RICE – HEAD OF LEGAL AND DEMOCRATIC SERVICES

### 1 PURPOSE

1.1 To seek Council approval of a new Code of Conduct for Ribble Valley Borough Council.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – } The Council aims to be a well-managed Council.
- Corporate Priorities – } The Code will provide clear guidance for Members and assist the public to understand the role of Members, and the behaviour expected of Members.
- Other Considerations – }

### 2 BACKGROUND

2.1 This matter has been considered previously by both the Standards Committee and Policy and Finance Committee.

2.2 A group of Members was asked to consider a number of draft Codes and make recommendations to the meeting of the Council's Policy and Finance Committee on 12 June 2012.

2.3 The Members of the group advised, and Policy and Finance confirmed, that the Council should adopt the Code drafted by the Department for Communities and Local Government (DCLG).

2.4 Council is therefore asked to confirm adoption of the Code as set out at Appendix 1 (the Appendix purely contains the text of the Code, the Council's crest etc will be added when the document is produced in the Council's house style).

### 3 ISSUES

3.1 In order to ensure that the Council's decision to approve the Code is given effect, some practical steps need to be considered.

#### Disclosable Pecuniary Interests

3.2 The DCLG Code was considered in advance of the regulations which define the new category of interest which Members must register, namely disclosable pecuniary interests (dpi's).

3.3 The regulations have now been published. In order to assist Members and members of the public to understand and apply the requirements of the Code, it is suggested that an explanatory note is included with the Code in the form attached at Appendix 2 relating to dpi's.

## Commencement

- 3.4 The requirement of the Code as drafted is that Members register their interests within 28 days of taking office. Technically the alteration of the Council's Code does not trigger an obligation on Members to renew their registration. However the Council's practice for several years has been to renew the Members' register entries on an annual basis. It should not be necessary to make a change to the text of the Code as Members have demonstrated their commitment and co-operation in this respect to date.
- 3.5 Forms will be sent to Members shortly to enable them to complete the details based on the new requirements. Training will also be arranged to assist Members to prepare for implementation of the new requirements, eg in the context of Committee meetings and Declaration of Interest.

## Scope and Publication

- 3.6 Members should be aware that when they complete their Register of Interest forms, the Localism Act 2011 (the Act) has extended the scope of the requirement to register to include an obligation to register a pecuniary interest of a spouse or civil partner or anybody with whom an individual lives as husband or wife or civil partner.
- 3.7 The Act has also imposed a requirement for the register to be published on line.

## 4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:

- Resources – The approval of a Code of Conduct, with implementation as proposed, will contribute to ensuring the Council retains its reputation as a Council with Members who demonstrate good standards of conduct.
- Technical, Environmental and Legal – No implications identified.
- Political – No implications identified.
- Reputation – No implications identified.
- Equality & Diversity – No implications identified.

## 6 **RECOMMENDED THAT COUNCIL**

- 6.1 Approve the adoption of the Code with explanatory notes as set out at Appendix 1 and 2.
- 6.2 Confirm the arrangements proposed to give effect to the approval of the new Code as set out at 3.4.

DIANE RICE  
HEAD OF LEGAL & DEMOCRATIC SERVICES

MARSHAL SCOTT  
CHIEF EXECUTIVE

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

REF: DER/CMS/COUNCIL/170712

**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'.

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.

### Disclosable pecuniary interests

This note explains the requirements of the Localism Act 2011 (Ss 29-34) and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, in relation to disclosable pecuniary interests.

These provisions are enforced by criminal sanction. They come into force on 1 July 2012.

#### 1 Notification of disclosable pecuniary interests

Within 28 days of becoming a member or co-opted member, you must notify the Monitoring Officer of any 'disclosable pecuniary interests'.

A 'disclosable pecuniary interest' is an interest of yourself or your partner (which means spouse or civil partner, a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners) within the following descriptions:

(In the extracts from the Regulations below, 'M' means you and 'relevant person' means you and your partner, as above)

<i>Subject</i>	<i>Prescribed description</i>
<i>Employment, office, trade, profession or vacation</i>	<i>Any employment, office, trade, profession or vocation carried on for profit or gain.</i>
<i>Sponsorship</i>	<i>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 financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</i>
<i>Contracts</i>	<i>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.</i>
<i>Land</i>	<i>Any beneficial interest in land which is within the area of the relevant authority.</i>
<i>Licences</i>	<i>Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.</i>
<i>Corporate tenancies</i>	<i>Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and</i>

*(b) the tenant is a body in which the relevant person has a beneficial interest.*

## Securities

*Any beneficial interest in securities of a body where—*

*(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and*

*(b) either—*

*(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or*

*(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.*

These descriptions on interests are subject to the following definitions;

*“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;*

*“member” includes a co-opted member;*

*“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 section 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;*

*“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.*

## **2 Register of interests**

Any interests notified to the Monitoring Officer will be included in the register of interests.

A copy of the register will be available for public inspection and will be published on the authority's website.

### **3 Sensitive interests**

Where you consider that disclosure of the details of a disclosable pecuniary interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have a disclosable pecuniary interest, the details of which are withheld under Section 32(2).

### **4 Non participation in case of disclosable pecuniary interest**

A) If you are present at a meeting of the authority, or any committee, sub-committee, joint committee or joint sub-committee of the authority, and you have a disclosable pecuniary interest in any matter to be considered or being considered at the meeting,

1. You may not participate in any discussion of the matter at the meeting.
2. You may not participate in any vote taken on the matter at the meeting.
3. If the interest is not registered, you must disclose the interest to the meeting.
4. If the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days.

Note: In addition, Standing Order X requires you to leave the room where the meeting is held while any discussion or voting takes place.

B) Where an executive member may discharge a function alone and becomes aware of a disclosable pecuniary interest in a matter being dealt with or to be dealt with by her/him, the executive member must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter.

### **5 Dispensations**

The authority may grant you a dispensation, but only in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

### **6 Offences**

It is a criminal offence to

- Fail to notify the Monitoring Officer of any disclosable pecuniary interest within 28 days of election
- Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register
- Fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting
- Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest
- As an executive member discharging a function acting alone, and having a disclosable pecuniary interest in such a matter, failing to notify the Monitoring Officer within 28 days of the interest.
- Knowingly or recklessly providing information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting.