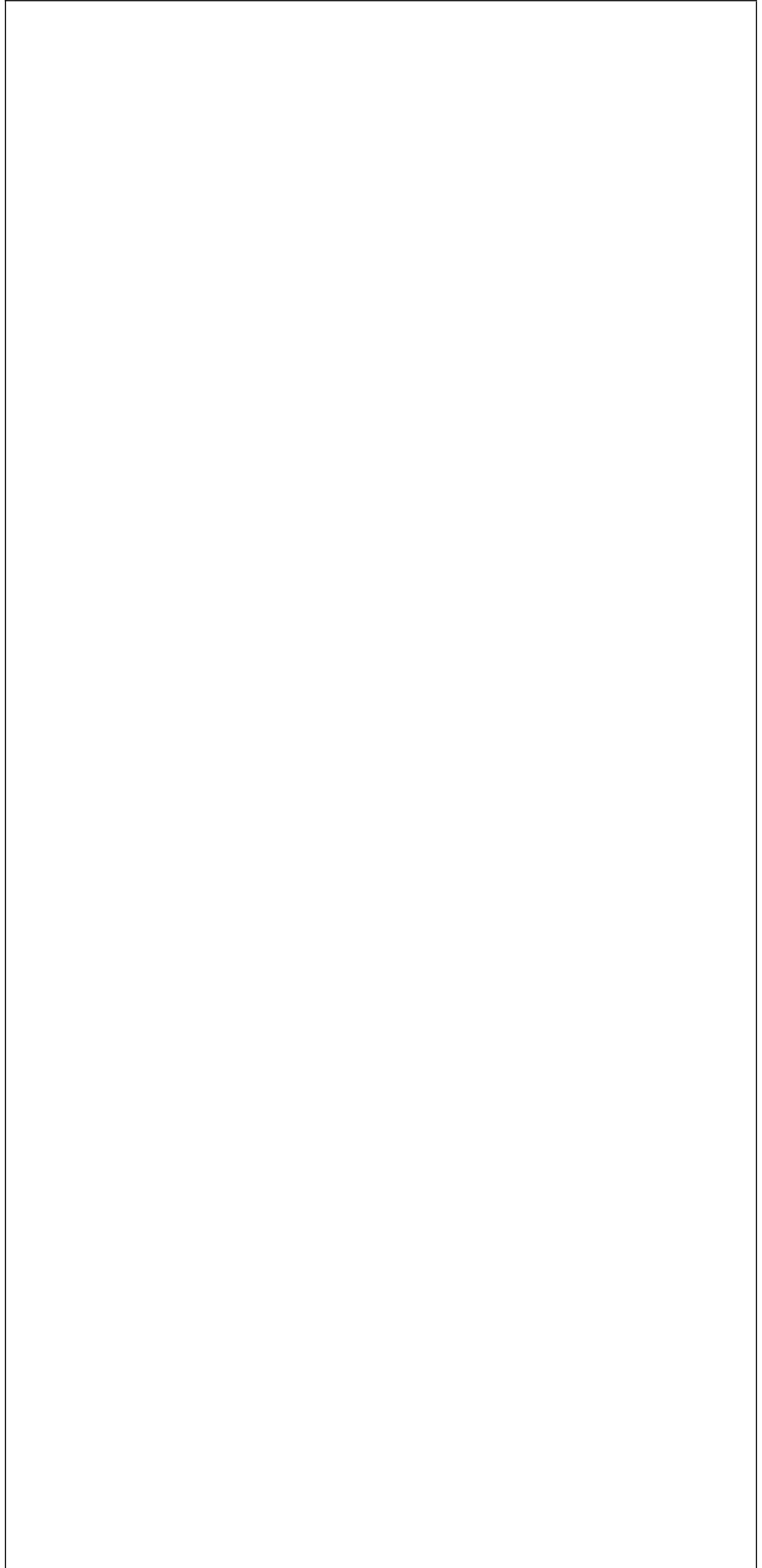
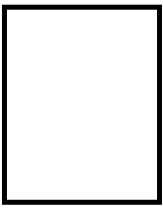
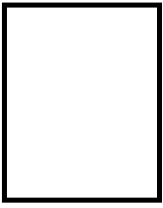
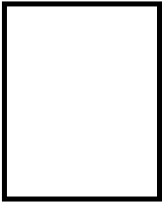
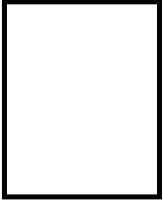
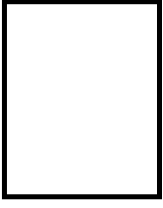
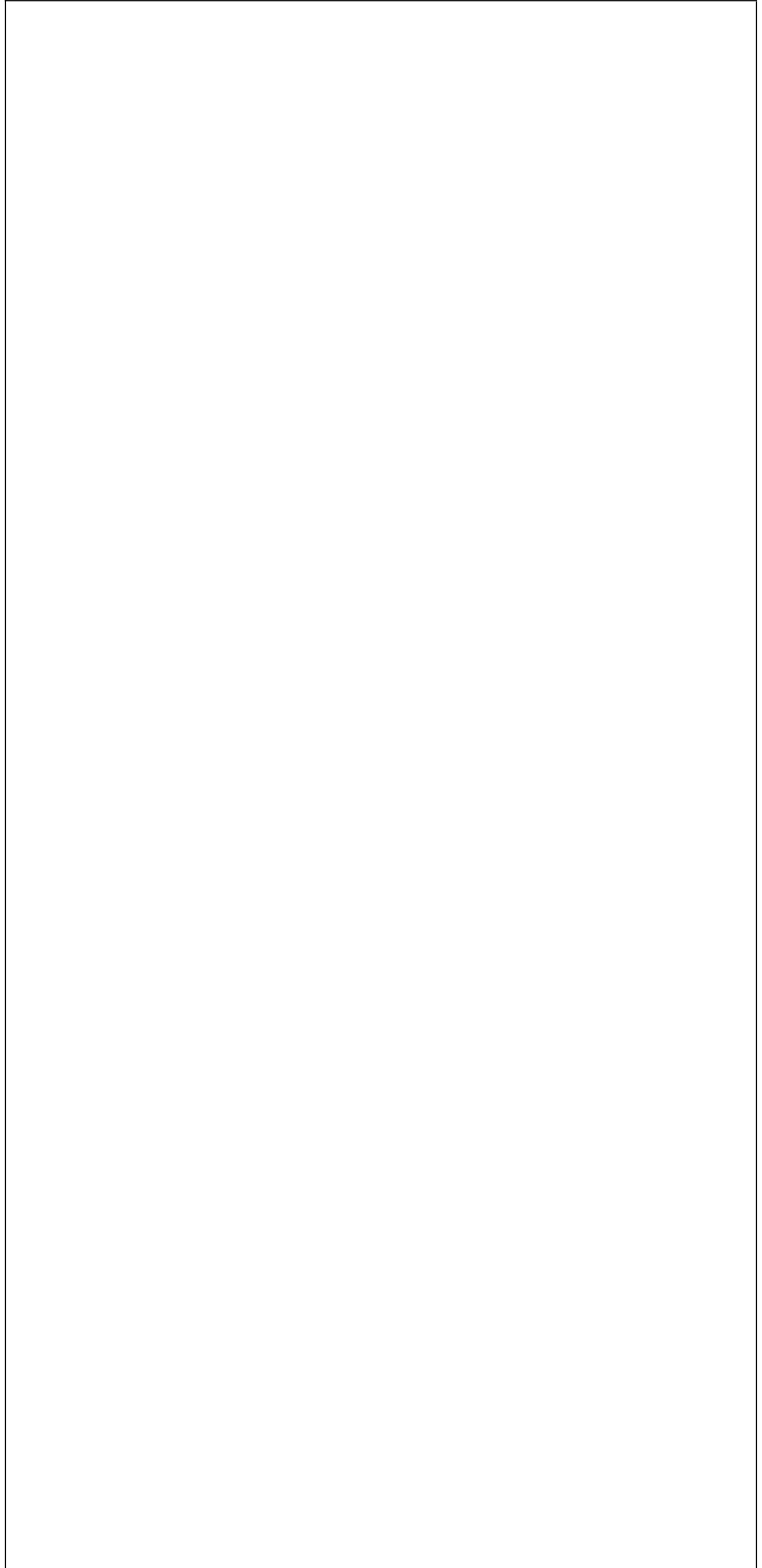
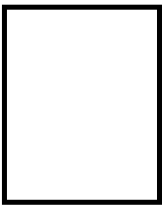
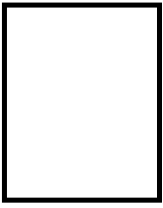
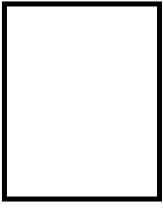
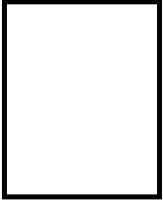
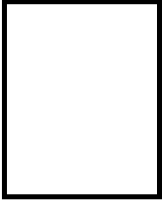
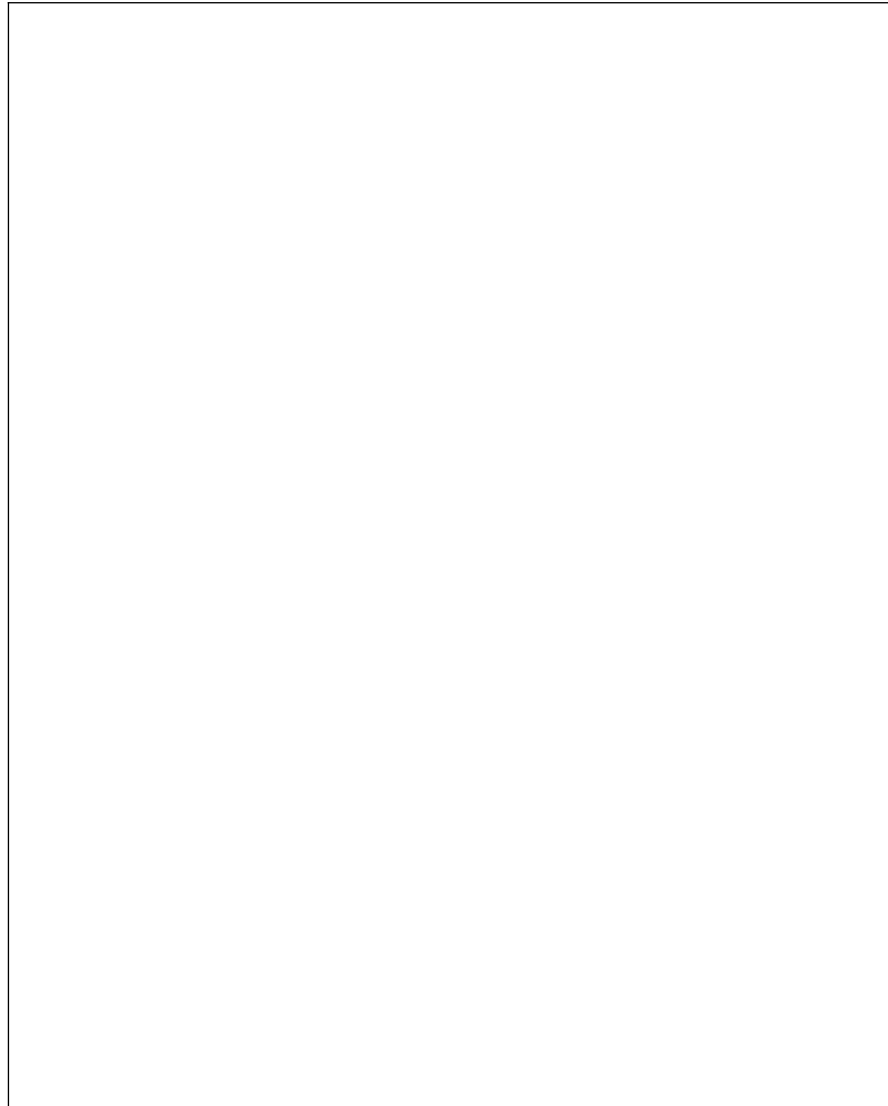
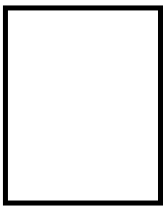
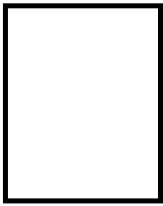
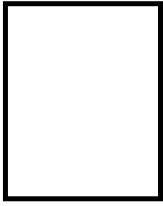


**REPORT OF:**            **DIRECTOR OF HR & LEGAL  
SERVICES**  
**TO:**                        **STANDARDS COMMITTEE**  
**DATE:**                    **25<sup>th</sup> November 2011**







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**SUBJECT:                    The Localism Act 2011 and the Standards Regime**

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**1. PURPOSE OF THE REPORT**

To consider the Localism Act 2011 and consider options for the future of the standards regime for the Council.

**2. RECOMMENDATIONS**

The Committee notes the relevant provisions of the Localism Act 2011 and considers its implications, with a view to suggesting actions, options and recommendations on the future of the ethical standards regime for the Council.

**3. BACKGROUND**

The initial proposals contained in the Localism Bill (Chapter 5 and Schedule 4) as introduced on 13 December 2010 stated:

- (a) The abolition of the current Standards Board regime introduced in England by the Local Government Act 2000, which provides for:-

- a mandatory Model Code of Conduct for members of local authorities;
  - Standards Committees of local authorities;
  - The Standards Board for England; and
  - the jurisdiction of the First Tier Tribunal in relation to local government standards in England;
- (b) A statutory duty on local authorities to “*promote and maintain high standards of conduct by members and co-opted members*”;
- (c) A power for local authorities to decide to adopt a voluntary code of conduct for members;
- (d) Requirements of a local authority to establish and maintain a “Register of Members Interests” of members;
- (e) that a member of a local authority be required to register and declare their interests, and not to use their position improperly for personal gain, Any wilful failure to comply with requirements would constitute a criminal offence.

During the parliamentary process there have been a number of significant changes to the Localism Bill in relation to standards of conduct of local authority members. However, the abolition of the current Standards Board Regime still remains with its requirement for all local authorities to comply with a national code of conduct. The Localism Bill received Royal Assent on 15 November 2011 and Part 7 of Localism Act 2011 now contains the following provisions:-

(a) Requirement to adopt a code of conduct for members

Clause 27 of the Localism Act 2011 provides that in discharging its statutory duty to “*promote and maintain high standards of conduct by members*” Councils must adopt a Code of Conduct which is:

(i) in accordance with the seven Nolan principles of:

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

and

(ii) must include a requirement for members to register and disclose pecuniary and non pecuniary interests

(b) Requirement for arrangements to be made for investigation of allegations

Local authorities must put in place arrangements for investigating and making decisions on written allegations of a failure to comply with the Code. These arrangements must include the appointment of at least one “independent person” whose views must be sought and taken into account before the authority comes to a decision following investigation. A member against whom a complaint is made may also seek the views of the independent person. The independent person cannot be a member or officer of the authority or a relative or close friend of such person.

(c) Register of Member's Interests

The Council's Monitoring Officer is required to establish and maintain a "Register of Member's Interests". Within 28 days of taking office a member of the Council must notify the Council's Monitoring Officer of any "disclosable pecuniary interest". The Secretary of State will prescribe by regulation as to what constitutes a "disclosable pecuniary interest", but it will cover the interests of the member, his/her spouse, civil partners, in so far as the member is aware of his/her partner's interests. The Council's Monitoring Officer is required to ensure that a copy of the Register of Member's Interests is available for inspection at all reasonable times and that the register is published on the Council's website. Failure to register such interests within 28 days of election or providing misleading information on registration without reasonable excuse will be a criminal offence.

(d) Disclosure of Interests at Meetings

Where the "disclosable pecuniary interest" is not already entered on the Council's Register of Member's Interests, the member is required to disclose the interest to the meeting and to register it within 28 days of the meeting at which relevant business is considered. Failure to disclose will be a criminal offence.

Where a member has a "disclosable pecuniary interest" in a matter to be considered at a meeting of the Council or any Council Committee, then they may not either participate in any discussion of the matter at the meeting, or participate in any vote taken on the matter at the meeting.

## **5. RATIONALE**

The Localism Bill received Royal Assent on 15 November 2011. Part 7 of the Localism Act 2011 contains provisions relating to standards. It envisages that the implementation date will be 1 April 2012. The Council needs to have the necessary arrangements in place to support its duty to promote and maintain high standards of conduct.

## **6. POLICY IMPLICATIONS**

A governance framework in local authorities is necessary to promote and maintain high ethical standards, and to ensure public confidence.

## **7. FINANCIAL IMPLICATIONS**

To be determined

## **8. CONSULTATIONS**

The Council's arrangements for promoting and maintaining high standards of conduct will initially be discussed by the Standards Committee at which arrangements for wider consultation will be considered.

### **Chief Officer/Member**

Contact Officer:

**Asad Laher, Head of Legal services (Governance & Commercial) and Deputy Monitoring Officer.**

Date: **25<sup>th</sup> November 2011**

Background Papers: The Localism Act 2011  
Draft model Code of Conduct (attached)