



Leicester  
City Council

**WARDS AFFECTED**  
**All Wards - Corporate Issue**

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
**Standards Committee**

**9 January 2002**

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**NEW MODEL CODE OF CONDUCT FOR MEMBERS - IMPLEMENTATION**

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**Report of the Town Clerk and Director of Corporate Resources**

**1. Purpose of Report**

To identify the key provisions and requirements of the new Model Code of Conduct for Members and the necessary measures to ensure both compliance and its effective implementation.

**2. Report**

Arising out of the Local Government Act 2000, a new Model Code of Conduct for Members was laid before Parliament on 6 November 2001, coming into effect on 27 November 2001. This final version of the Model Code was incorporated into the Political Conventions within the Council's Constitution, which was formally adopted by full Council at its meeting on 29 November 2001. A copy of the Model Code is attached at Appendix 1.

Having been so adopted, the Model Code now becomes the Council's local code, supported, of course, by the Political Conventions.

A detailed commentary of the provisions of the Code are given in the Appendices. The key elements of the Code – which relates to both Members and Co-opted Members are:

- ★ General Obligations of Members (Appendix 2)
- ★ Members Interests – including new definitions and rules relating to disclosure and participation, or not, in meetings (Appendix 3)
- ★ Register of Members' Interests (Appendix 4)
- ★ Register of Gifts and Hospitality (Appendix 5)

The implementation of the above provisions within the Code are time-restricted and are also highly significant for all Members in terms of their role as an Elected Member. It is, therefore, important that not only is the necessary documentation and processes put in place, but also that Members and appropriate officers receive full briefing on the changes and their impact. Two Briefing Sessions for Members have, so far, been

arranged, on Wednesday, 9 January 2002 at 1.30 p.m. and Tuesday, 15 January 2002 at 5.30 p.m.

### 3. Recommendations

Members are recommended to:

- (i) note that all Members are bound by the new Model Code (as the Council's local code) and must agree in writing within two months of its adoption that they will observe the code. The prescribed wording for the Declaration of Acceptance of office and Undertaking to observe the Code of Conduct is detailed at Appendix 6.
- \*\* **NOTE** If any Member fails to sign up to the local code within two months of it being adopted, (i.e. 26 January 2002) then they cease to be a member of Council.
- (ii) endorse the provision of comprehensive briefings for all Members on the new Model Code for Members, alongside associated mandatory briefing on the Political Conventions (as determined by the Standards Committee).
- (iii) agree to the new Register of Members Interests and Register of Gifts and Hospitality both being held in electronic form, as well as hard copy, and published on the Council's Intranet and Internet sites.

### 4. Financial and legal Implications

There are no financial implications arising directly out of this report.

The Local Government Act 2000 provides a new statutory framework for governing the conduct of elected members and co-opted members of "relevant" councils such as this authority. The government has made four model codes of conduct, one which applies to local authorities such as Leicester, with executive arrangements. Councils have six months to adopt their codes i.e. from the date the order was made on the 5<sup>th</sup> November. Once adopted members agree in writing to accept the code within 2 months. Failure to do so will mean they cease to become a member of the Council.

The Council must either adopt the code that is proposed, or have a code which incorporates all the mandatory elements of the draft model code.

**5. Other Implications**

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	<b>No</b>	
Policy	<b>Yes</b>	The whole report relates to the Council's Policy on Members Conduct
Sustainable and Environmental	<b>No</b>	
Crime and Disorder	<b>No</b>	
Human Rights Act	<b>No</b>	
Elderly/People on Low Income	<b>No</b>	

**6. Background Papers – Local Government Act 1972**

None other than the legislation and associated Regulations.

**7. Consultations**

None

**8. Report Author**

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THE MODEL CODE OF CONDUCT

PART 1

GENERAL PROVISIONS

*Scope*

1. – (1) A member must observe the authority's code of conduct whenever he –
- (a) conducts the business of the authority;
  - (b) conducts the business of the office to which he has been elected or appointed; or
  - (c) acts as a representative of the authority,
- and references to a member's official capacity shall be construed accordingly.
- (2) An authority's code of conduct shall not, apart from paragraphs 4 and 5(a) below, have effect in relation to the activities of a member undertaken other than in an official capacity.
- (3) Where a member acts as a representative of the authority –
- (a) on another relevant authority, he must, when acting for that other authority, comply with that other authority's code of conduct; or
  - (b) on any other body, he must, when acting for that other body, comply with the authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.
- (4) In this code, "member" includes a co-opted member of an authority.

*General Obligations*

2. A member must –
- (a) promote equality by not discriminating unlawfully against any person;
  - (b) treat others with respect; and
  - (c) not do anything which compromises or which is likely to compromise the impartiality of those who work for, or on behalf of, the authority.

3. A member must not –
- (a) disclose information given to him in confidence by anyone, or information acquired which he believes is of a confidential nature, without the consent of a person authorised to give it, or unless he is required by law to do so; nor
  - (b) prevent another person from gaining access to information to which that person is entitled by law.
4. A member must not in his official capacity, or any other circumstance, conduct himself in a manner which could reasonably be regarded as bringing his office or authority into disrepute.
5. A member –
- (a) must not be in his official capacity, or any other circumstance, use his position as a member improperly to confer on or secure for himself or any other person, an advantage or disadvantage; and
  - (b) must, when using or authorising the use by others of the resources of the authority, -
    - (i) act in accordance with the authority's requirements; and
    - (ii) ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the authority or of the office to which the member has been elected or appointed.
6. –(1) A member must when reaching decisions
- (a) have regard to any relevant advice provided to him by –
    - (i) the authority's chief finance officer acting in pursuance of his duties under section 114 of the Local Government Finance Act 1988; and
    - (ii) the authority's monitoring officer acting in pursuance of his duties under section 5(2) of the Local Government and Housing Act 1989; and
  - (b) give the reasons for those decisions in accordance with the authority's and any statutory requirements in relation to the taking of an executive decision.
- (2) In sub-paragraph (1)(b) above and in paragraph 9(2) below, "executive decision" is to be construed in accordance with any regulations made by the Secretary of State under section 22 of the Local Government Act 2000.
7. A member must, if he becomes aware of any conduct by another member which he reasonably believes involves a failure to comply with the authority's code of conduct, make a written allegation to that effect to the Standards Board for England as soon as it

is practicable for him to do so.

## PART 2

### INTERESTS

#### *Personal Interests*

8. - (1) A member must regard himself as having a personal interest in any matter if the matter relates to an interest in respect of which notification must be given under paragraphs 13 and 14 below, or if a decision upon it might reasonably be regarded as affecting to a greater extent than other council tax payers, ratepayers, or inhabitants of the authority's area, the well-being or financial position of himself, a relative or a friend or –

(a) any employment or business carried on by such persons;

(b) any person who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;

(c) any corporate body in which such persons have a beneficial interest in a class of securities exceeding the nominal value of £5,000; or

(d) any body listed in sub-paragraphs (a) to (e) of paragraph 14 below in which such persons hold a position of general control or management.

(2) In this paragraph –

(a) "relative" means a spouse, partner, parent, parent-in-law, son, daughter, step-son, step-daughter, child of a partner, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, or the spouse or partner of any of the preceding persons; and

(b) "partner" in sub-paragraph (2)(a) above means a member of a couple who live together.

#### *Disclosure of Personal Interests*

9. - (1) A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

(2) Subject to paragraph 12(1)(b) below, a member with a personal interest in any matter who has made an executive decision in relation to that matter must ensure that any written statement of that decision records the existence and nature of that interest.

### *Prejudicial Interests*

10. – (1) Subject to sub-paragraph (2) below, a member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgement of the public interest.

(2) A member may regard himself as not having a prejudicial interest in a matter if that matter relates to –

(a) another relevant authority of which he is a member;

(b) another public authority in which he holds a position of general control or management;

(c) a body to which he has been appointed or nominated by the authority as its representative;

(d) the housing functions of the authority where the member holds a tenancy or lease with a relevant authority, provided that he does not have arrears of rent with that relevant authority of more than two months, and provided that those functions do not relate particularly to the member's tenancy or lease;

(e) the functions of the authority in respect of school meals, transport and travelling expenses, where the member is a guardian or parent of a child in full time education, unless it relates particularly to the school which the child attends;

(f) the functions of the authority in respect of statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where the member is in receipt of, or is entitled to the receipt of such pay from a relevant authority; and

(g) any functions of the authority in respect of an allowance or payment made under sections 173 to 176 of the Local Government Act 1972 or section 18 of the Local Government and Housing Act 1989.

### *Overview and Scrutiny Committees*

11. - (1) For the purposes of this Part, a member must if he is involved in the consideration of a matter at a meeting of an overview and scrutiny committee of the authority or a sub-committee of such a committee, regard himself as having a personal and a prejudicial interest if that consideration relates to a decision made, or action taken, by another of the authority's –

(a) commit or sub-committees; or

(b) joint committees or joint sub-committees,

of which he may also be a member.

(2) But sub-paragraph (1) above shall not apply if that member attends that meeting for

the purpose of answering questions or otherwise giving evidence relating to that decision or action.

#### *Participation in Relation to Disclosed Interests*

**12.** – (1) Subject to sub-paragraph (2) below, a member with a prejudicial interest in any matter must –

(a) withdraw from the room or chamber where a meeting is being held whenever it becomes apparent that the matter is being considered at that meeting, unless he has obtained a dispensation from the authority's standard's committee;

(b) not exercise executive functions in relation to that matter; and

(c) not seek improperly to influence a decision about that matter.

(2) A member with a prejudicial interest may, unless that interest is of a financial nature, and unless it is an interest of the type described in paragraph 11 above, participate in a meeting of the authority's –

(a) overview and scrutiny committees; and

(b) joint or area committees,

to the extent that such committees are not exercising functions of the authority or its executive.

**13.** or the purposes of this Part, "meeting" means any meeting of –

(a) the authority;

(b) the executive of the authority; or

(c) any of the authority's or its executive's committees, sub-committees, joint committees, joint sub-committees, or area committees.

### **PART 3**

#### **THE REGISTER OF MEMBERS' INTERESTS**

##### *Registration of Financial and Other Interests*

**14.** Within 28 days of the provisions of an authority's code of conduct being adopted or applied to that authority or within 28 days of his election or appointment to office (if that is later), a member must register his financial interests in the authority's register maintained under section 81(1) of the Local Government Act 2000 by providing written notification to the authority's monitoring officer of –



- (a) any employment or business carried on by him;
- (b) the name of the person who employs or has appointed him, the name of any firm in which he is a partner, and the name of any company for which he is a remunerated director;
- (c) the name of any person, other than a relevant authority, who has made a payment to him in respect of his election or any expenses incurred by him in carrying out his duties;
- (d) the name of any corporate body which has a place of business or land in the authority's area, and in which the member has a beneficial interest in a class of securities of that body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital of that body;
- (e) a description of any contract for goods, services or works made between the authority and himself or a firm in which he is a partner, a company of which he is a remunerated director, or a body of the description specified in sub-paragraph (d) above;
- (f) the address or other description (sufficient to identify the location) of any land in which he has a beneficial interest and which is in the area of the authority;
- (g) the address or other description (sufficient to identify the location) of any land where the landlord is the authority and the tenant is a firm in which he is a partner, a company of which he is a remunerated director, or a body of the description specified in sub-paragraph (d) above; and
- (h) the address or other description (sufficient to identify the location) of any land in the authority's area in which he has a licence (alone or jointly with others) to occupy for 28 days or longer.

**15.** Within 28 days of the provisions of the authority's code of conduct being adopted or applied to that authority or within 28 days of his election or appointment to office (if that is later), a member must register his other interests in the authority's register maintained under section 81(1) of the Local Government Act 2000 by providing written notification to the authority's monitoring officer of his membership of or position of general control or management in any –

- (a) body to which he has been appointed or nominated by the authority as its representative;
- (b) public authority or body exercising functions of a public nature;
- (c) company, industrial and provident society, charity, or body directed to charitable purposes;
- (d) body whose principal purposes include the influence of public opinion or policy; and
- (e) trade union or professional association.

16. A member must within 28 days of becoming aware of any changes to the interests specified under paragraphs 13 and 14 above, provide written notification to the authority's monitoring officer of that change.

*Registration of Gifts and Hospitality*

17. A member must within 28 days of receiving any gift or hospitality over the value of £25, provide written notification to the authority's monitoring officer of the existence and nature of that gift or hospitality.

From Statutory Instrument  
No 3575 of 2001  
(Schedule 1)

MODEL CODE OF CONDUCT FOR MEMBERS  
SCOPE AND GENERAL OBLIGATIONS OF MEMBERS

1. MINIMUM STANDARDS OF CONDUCT

The Code of Conduct sets out the minimum standards of conduct that Members must observe.

(A) AT ALL TIMES

These two very important provisions will bind Members at all times. These are:-

- (i) a Member should not do anything which brings the Council or their office into disrepute; and
- (ii) a Member should not misuse their official position to their own advantage or to the advantage or disadvantage of others.

(B) AS A MEMBER

Other than the above, which applies to Members at all times, the remaining provisions only apply whenever a Member is conducting the business of the Council or their office. This is in the 'official role' as a representative of the public, for example, at meetings of the Council, with other Members and officers and public meetings and forums where they are there as a Councillor.

When a Councillor is also a member of another authority they will be subject to the code which applies to the authority whose business they are carrying out at the time. So, for example, if a Councillor is also a member of a police authority, they will be bound by the police authority's local code when carrying out police authority business.

(C) AS A REPRESENTATIVE

The Members Code will also apply when Councillors represent the Council on other bodies. However, where the other body is bound by legal obligations which conflict with the local code, then the rules of that other body apply.

2. GENERAL DUTIES OF MEMBERS

The Code places a positive duty on Members to:

- (a) promote equality by not discriminating against others;
- (b) respect confidential information;
- (c) listen to the advice of the Council's Monitoring Officer and Chief Finance Officer where it relates to possible illegal decisions or spending; and,

- (d) inform the National Standards Board if they reasonably believe another Member has broken the code.

The Code also stipulates a number of things Members should NOT do. These are:-

- (a) bring their Council or office into disrepute;
- (b) misuse their official position to their own advantage or to the advantage or disadvantage of others;
- (c) unduly influence any person who works for the Council;
- (d) stop somebody seeing or getting copies of documents they are allowed to have;  
or,
- (e) misuse Council resources or authorise their misuse, in particular for unauthorised party political purposes.

MEMBERS' INTERESTS

Alongside the Register of Interests (see Appendix 4), the Code also requires the declaration of interests at meetings of the Council. Members can use the Register as a trigger to decide which of their interests need to be declared at meetings.

Members have to decide first whether or not they have a personal interest in the matter under discussion. They will then have to decide whether that personal interest is also prejudicial. The old distinction between 'pecuniary' and 'non-pecuniary' interests is not longer relevant.

A personal interest is an interest that affects the Member more than most other people in the area. People in the area include those who live, work or have property in the area of the Council. Members will also have a personal interest if their partner, relative or close friend, or an organisation that they or the Member works for, is affected more than other people in the area.

If they do have a personal interest, they must declare it and say what that interest is before any meeting where the issue is to be discussed or as soon as it comes to light. However, they can still take part in the meeting and vote unless the personal interest is also a prejudicial interest.

A prejudicial interest is a matter of judgement for each Member. What Members have to do is ask themselves whether a member of the public – if he or she knew all the facts – would think that the Members' interest was so important that their decision would be affected by it. If a Member has a prejudicial interest then they must declare what their interest is (if they have not already done so) and withdraw from the meeting (by leaving the room).

If there is an executive member with a prejudicial interest, they cannot take part in decisions about that interest.

There are two exceptions to the rules about prejudicial interests:

- ◆ Members can still take part in a Scrutiny Committee meeting unless it is a prejudicial interest of a financial nature or if it is about a decision they have taken at an area committee or joint committee meeting; and,
- ◆ similarly they can take part in an area or joint committee meeting unless the prejudicial interest is of a financial nature or the meeting is taking a decision delegated from the executive of the Council about the issue.

This means that Members are encouraged to bring their personal experience to bear when considering matters but they should not be involved in taking decisions if they have a prejudicial interest.

Subject to regulations being made, the Standards Committee may grant Members a dispensation to take part in a meeting even though they have an interest.

### REGISTER OF MEMBERS' INTERESTS

Under the new Code, each Member has to provide a record of their interests in a public register (which equates broadly to the currently operated Statutory and Voluntary Registers).

Members must notify the Town Clerk, as monitoring officer, in writing of any interests that they have which fall within the categories set out in the Code. These categories include:

- ★ their job(s);
- ★ the name of their employers, the name of any firm in which they are a partner and the name of any company for which they are a director;
- ★ the name of any person who has made a payment to them in respect of their appointment as a Member or expenses they have incurred in carrying out their duties;
- ★ the name of any corporate body in which they have a shareholding of more than £25,000 (face value) or have a stake of more than 1/100th in the company;
- ★ any contracts for goods, services or works between the authority and the Member, their firm (if they are a partner) or company (if they are a director or if they have a stake of more than 1/100th in the company);
- ★ landholdings in the area;
- ★ land leased or licensed from the authority; and,
- ★ membership of, or position of control or management in:
  - other bodies where they represent the authority;
  - other public authorities;
  - companies, industrial and provident societies and charitable bodies;
  - private clubs;
  - bodies whose main purpose is to influence public opinion or policy; and,
  - trade unions or professional associations.

Members must also notify the Town Clerk, in writing, of any changes or additions which should be made to their entries in the Register.

To aid transparency, it is proposed that the Public Register, which is open for Inspection, be held both in hard copy form and also electronic form, with copies published on both the Council's Intranet and Internet sites.

GIFTS OR HOSPITALITY

The Code also requires Members to tell the Town Clerk, as monitoring officer, in writing, of any gifts or hospitality (over £25) received. These must be held on the public register. Forms will be supplied to Members to facilitate this notification.

Again, to aid transparency, it is proposed that this Public Register be also published on the Council's Intranet and Internet sites.

I,

having been elected to the office of

of Leicester City Council declare that I take that office upon myself, and will duly and faithfully fulfil the duties of it according to the best of my judgement and ability.

I undertake to observe the code as to the conduct which is expected of members of Leicester City Council.

Date

Signed

This declaration was made and signed before me

Signed

**Proper Officer of the Council of the City of Leicester**