

Recommendation to Council on 14 June 2012	From: General Purposes Committee on 7 June 2012	Item 10 b)
	The Localism Act 2011 and Ethical Standards	
1.	Council is asked to approve the following recommendation:-	
	<p>that, subject to the Secretary of State making the requisite regulations (“the Regulations”) which bring the relevant provisions of Chapter 7 of the Localism Act 2011 (“the Act”) into force with effect from 1 July 2012, the following arrangements shall apply:</p> <ul style="list-style-type: none"> a) The Code of Conduct approved by the Council on 19 April 2012, amended as necessary to give effect to the Regulations, shall be adopted with effect from 1 July 2012; b) In accordance with sections 29 and 30 of the Act, Schedule 1 of the Code of Conduct shall incorporate the disclosable pecuniary interests specified in the Regulations; c) The General Purposes Committee shall be authorised to determine what other interests (if any) should be incorporated into the Code of Conduct, including arrangements for the recording of gifts and hospitality accepted by Members; d) Members shall be required (as now) to disclose when they are present at meetings of the Council, the Executive and all Committees, Sub-Committees and Joint Committees of the Council if they have a pecuniary or other interest in an item of business on the agenda of the meeting and the nature of that interest and, where the interest constitutes a disclosable pecuniary interest, to withdraw from the meeting during the consideration of that item of business; e) The Standards Committee shall be dissolved on 30 June 2012 and from 1 July 2012 the General Purposes Committee shall assume responsibility for overseeing the Council’s duty to promote and maintain high standards of conduct. f) The Monitoring Officer shall make any consequential amendments to the Council’s Constitution following consultation with the Chairman of the General Purposes Committee. 	

	Background
2.	At its meeting on 7 June 2012 the General Purposes Committee considered a report by the Head of Legal and Democratic Services which set out the arrangements that were required to be in place to ensure that the Council was ready to implement the relevant provisions of the Localism Act 2011 on 1 July 2012. The Head of Legal and Democratic Services advised that the Secretary of State had yet to make the regulations required to bring the relevant parts of the Localism Act 2011 into force. However, the expectation was that the regulations would be made shortly and that the new provisions regulating ethical standards would come into effect as envisaged on 1 July 2012.
	Procedures for Investigating and Making Decisions about Complaints, Including Sanctions
3.	The Committee approved the proposed arrangements for the investigation and determination of complaints, including the identification of any sanctions that might be involved. Members also agreed to establish a panel, composed of all members and substitutes on the General Purposes Committee, from which Standards Sub-Committees could be appointed by the Monitoring Officer as and when required.
	Appointment of Independent Persons
4.	The Committee considered the requirement under the Act to appoint at least one independent person who had to be consulted in connection with the investigation and determination of complaints. The Committee agreed to collaborate with neighbouring authorities in the recruitment of independent persons and the appointment of a joint panel of at least eight independent persons who would be available to undertake this role for any of the participating authorities.
	Establishment of Register of Interests and Introduction of “Disclosable Pecuniary Interests”
5.	The meeting considered the requirement under the Localism Act for the establishment and maintenance of a register of Members’ interests. The Committee had also considered the government’s decision to reintroduce the concept of pecuniary interests to replace the existing ‘personal interests’.

6.	<p>The Committee noted that a draft schedule defining 'disposable pecuniary interests' had recently been made available by the Secretary of State. Copies of the draft schedule were circulated at the meeting and Members compared this with those interests currently defined as 'personal interests'. The meeting noted the strong overlap in content. The Head of Legal and Democratic Services indicated that he would report further on this matter to the next meeting of the Committee by which time the final schedule of 'disclosable pecuniary interests' should have been forthcoming.</p>	
7.	<p>Members were advised that the Council could decide to register other interests besides 'disclosable pecuniary interests'. The Head of Legal and Democratic Services proposed the creation of a list of those other interests which Members would have to include on the register but which would not prevent them from participating in a meeting.</p>	
8.	<p>Some concern was expressed by Members regarding aspects of the Act's registration requirements. It was felt that some Members could inadvertently fail to update the register of interests or participate in a debate resulting in a contravention of the Act. The meeting supported the introduction of a process to prevent this from occurring.</p>	
9.	<p>In order that the Council was in a position to implement the Act's provisions when they came into force on 1 July 2012 the Committee agreed to submit the above recommendation to Council.</p>	
Appendices	None	