

Committee(s):	Date:	Public
Standards Committee	31 st January 2014	For Decision
Subject: Amendments to the Members' Code of Conduct – mandatory registration of gifts and hospitality		
Report of: Town Clerk and Comptroller & City Solicitor		
<p>Summary</p> <p>This report seeks approval to introduce a mandatory regime for all Members of the Court of Common Council and Co-opted Members in respect of the registration of gifts and hospitality and sets out the necessary revisions to the Members' Code of Conduct.</p> <p>In February 2013, the Committee agreed that a voluntary registration arrangement should be introduced as of 1st April 2013 and that Members be encouraged to register gifts and hospitality received to the value of £250 and above, and cumulative gifts and hospitality to the value of £500 and above, from a single source over a 12 month period (year ending 31st March).</p> <p>Having reviewed the local voluntary arrangement at the meeting on 13th September 2013, the Standards Committee felt that the voluntary arrangement to register gifts and hospitality had not worked and as such, some Members might be vulnerable to accusations of a breach of the code in the future as a result of not registering or otherwise disclosing gifts and hospitality that exceed the agreed threshold. Consequently, it was felt that a new mandatory requirement in respect of declaring gifts and hospitality should be introduced.</p> <p>In order to replicate all of the provisions of the existing voluntary scheme for registration of gifts and hospitality in a mandatory scheme, including the registration of gifts and hospitality within 28 days of receipt, it is necessary to amend the current Code of Conduct, as set out in Appendix 1. Once the Committee has reviewed and approved the revised wording, it can then be presented to the Court of Common Council for approval.</p> <p>Following an earlier discussion at its meeting on 29th November 2013 about suggested changes to the Code of Conduct the Standards Committee agreed that the revisions should be considered further ahead of submission to the Court of Common Council for approval. Appendix 2 sets out, in tracked changes, those revisions that were proposed at the 29th November 2013 meeting of the Standards Committee. Appendix 3 sets out a revised Code of Conduct incorporating all of the proposed changes.</p>		

Recommendation:-

That the Standards Committee consider whether the amended Code of Conduct, in the form set out at Appendix 3 or some other form, should be recommended to the Court of Common Council for adoption as the City's Code of Conduct.

Main Report**Background**

1. In September 2013, the Committee reviewed those items of gifts and hospitality that had been registered since April 2013, following the introduction of new local registration arrangements whereby Members are encouraged to register gifts and hospitality received to the value of £250 and above, and cumulative gifts and hospitality to the value of £500 and above, from a single source over a 12 month period (year ending 31st March). Some concern was expressed by Members that only two items of gifts and hospitality had been registered during that period and the Committee considered alternative options to ensure that all relevant gifts and hospitality were registered in a consistent manner. Whilst impropriety was not suspected, it was felt that the voluntary arrangement was insufficient and consequently revised local arrangements, to the effect of a mandatory registration regime, should be introduced with the Court of Common Council's consent.
2. Under the current Code of Conduct, relevant interests only have to be registered within 28 days of election or appointment, or re-election or re-appointment, or within 28 days of disclosure at a meeting. In order to replicate all of the provisions of the existing voluntary scheme for registration of gifts and hospitality in a mandatory scheme, including the registration of gifts and hospitality within 28 days of receipt, it is necessary to amend the Code of Conduct as set out in Appendix 1. As per its terms of reference, your Committee ought to review and approve that revised wording before it is presented to the Court.

Current Position

3. At its meeting on 29th November 2013, the Standards Committee considered a revised Code of Conduct incorporating the necessary revisions required as a result of the introduction of a mandatory scheme for registration of gifts and hospitality and also those changes introduced by the Department for Communities and Local Government (DCLG) [*illustrative Code of Conduct*] in respect of registering membership of any Trade Union. The Committee asked that revisions to the Code of Conduct be explored further ahead of further consideration and approval by both this Committee and the Court of Common Council.
4. Following a further review of the Code of Conduct since the meeting on 29th November 2013, Members are asked to comment on the revised Code of Conduct set out at Appendix 3 and to agree that the proposed changes be recommended to the Court of Common Council for approval.

Legal Implications

5. Under section 28(2) of the Localism Act 2011, a relevant authority must secure that its Code of Conduct includes the provision the authority considers appropriate in respect of the registration in its register, and disclosure, of pecuniary interests and interests other than pecuniary interests. Accordingly, Members and Co-opted Members must notify the monitoring officer of any disclosable pecuniary or non-pecuniary interest which the City has decided should be included in the register. They are also required to observe the restrictions the City places on their involvement in matters where they have a pecuniary or non-pecuniary interest as defined by the City. As currently, participation in such a matter will need to be considered on a case by case basis, but would only be precluded in exceptional circumstances e.g. where there is a real danger of bias. Members are encouraged to seek advice from the Comptroller & City Solicitor on such matters.

Financial Implications

6. The only costs associated with the new proposal are those in relation to the officer time required to update Members' Declarations of Interests and to facilitate a twice per year review of declarations for submission to the Standards Committee.

Conclusion

7. In light of the inconsistencies in respect of registering gifts and hospitality that meet the previously agreed threshold, the Committee previously resolved that approval be given to the introduction of a local mandatory arrangement whereby all Members and Co-opted Members are required to register any items of gifts and hospitality (one-off gifts and hospitality received to the value of £250 and above, and cumulative gifts and hospitality to the value of £500 and above, from a single source over a 12 month period (year ending 31st March)) with the Town Clerk's Department within 28 days of receipt. In order to fully effect this change, the City's Code of Conduct will have to be amended, as set out at Appendix 3. The revised Code of Conduct also incorporates those changes recommended by the DCLG in September 2013. The Committee is asked to consider whether these amendments should now be recommended to the Court of Common Council for adoption.

Appendices:-

- (1) *Current Code of Conduct*
- (2) *Revised Code of Conduct*

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