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STANDARDS COMMITTEE

Date: Tuesday 29 November 2011

Time: 2.00 pm

Venue: Meeting Room, Police Authority Offices,
Block 9, Police Headquarters, Stafford

DAMON TAYLOR
Chief Executive
21 November 2011

AGENDA

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1. APOLOGIES	
2. MINUTES	3
To approve the minutes of the meeting held on 4 November 2010	
3. DECLARATIONS OF INTEREST	
4. THE FUTURE OF THE AUTHORITY'S STANDARDS REGIME	5
To consider the report of the Chief Executive	
5. URGENT BUSINESS	
In accordance with Standing Order 5.1(xi), to consider any matters that the Chair determines are urgent.	

Staffordshire Police Authority

MINUTES OF THE STANDARDS COMMITTEE HELD ON THURSDAY 4 NOVEMBER 2010 AT POLICE HEADQUARTERS, CANNOCK ROAD, STAFFORD

Present: H. Stemp, (Chair)

Bowen, A.

*Vigurs, P.F.

(*attended at the invite of the Chair)

Apologies: Mr. P.J. Beresford, Mr. A.B. Compton, MBE and Mrs. L. Foulkes (Independent Person)

Also in attendance:

Mrs. A.J. Holmes – Authority Principal Officer

Mr. D. Taylor – Authority Chief Executive

PART ONE

Minutes

1. **RESOLVED** – That the minutes of the meeting held on 5 November 2009 be confirmed and signed by the Chair.

Welcome

2. The Chair welcomed Mr. D. Taylor, Chief Executive to the Authority, who had taken up his appointment on 1 November 2010.

Appointment of Authority Monitoring Officer

3. The Chief Executive reported that the Authority, at its meeting on 18 October 2010, had confirmed the action of its Chair, in approving that he be designated as the Monitoring Officer with effect from 1 November 2010.

Abolition of the Standards Board Regime

4. The Committee noted that the 'Programme for Government' of 20 May 2010 had contained the commitment to "abolish the Standards Board regime". Primary legislation was needed to abolish the Standards for England, and it was expected that necessary provisions would be included in the planned Decentralisation and Localism Bill due to be presented to Parliament in late 2010. Royal Assent was anticipated between July and October 2011, leading to the final closure of the organisation sometime between 31 December 2011 and 31 March 2012.

It was anticipated that the current framework and Code of Conduct would be replaced by voluntary arrangements, with the possibility of new criminal offences around declaration of interests. In the meantime, the local standards framework would continue

to exist and standards committees and monitoring officers had an obligation to keep the system operating.

The Chair of the Committee commented that it was business as usual for the Committee which had a valuable and independent role to fulfil in investigating and dealing with complaints made against members of the Authority arising from alleged breaches of the Code of Conduct. These arrangements would continue up to the establishment of any new standards regime, expected to be effective from May 2012. It was noted that the mooted idea of amalgamating such regimes with other statutory bodies, such as local authorities and fire and rescue authorities, could be problematic given the diverse and bespoke activity associated with each separate body.

5. **RESOLVED** – That the update on the abolition of the standards board regime be noted.

Diversity Issues

6. In accordance with the Authority's policy, the Committee considered the implications and/or relevance of items on the Agenda for the Authority's and the Force's functions and policies and the promotion of diversity noting that the current standards regime adopted in Staffordshire would continue to operate until the notified date of any new arrangements.

Dates of Future Meetings

7. **RESOLVED** – (a) That future meetings of the Committee be calendered for

Wednesday 16 March 2011
Wednesday 13 July 2011
Wednesday 2 November 2011

commencing at 2.00 pm.

(b) That members of the Committee would be advised, in advance of the above dates, if it was necessary to cancel any future meetings due to there being no notified allegation or complaints against members of the Authority to deal with or items of business to discuss.

HOWARD STEMPE
Chair

Staffordshire Police Authority

Standards Committee - 29 November 2011

THE FUTURE OF THE AUTHORITY'S STANDARDS REGIME

Report of the Chief Executive

Purpose of the Report

1. To report on the implications of the Localism Act 2011 on the standards regime operated by the Authority; reflect on the emerging findings of the HMIC review of integrity; and consider ways in which the scrutiny of standards and integrity can be strengthened.

Background

2. Currently, all local authorities, including police authorities, must have a standards committee to oversee members' adherence to the Code of Conduct and receive and deal with complaints. Authorities are also required to adopt a model code of conduct, which includes a requirement for members to register their financial interests and declare receipt of gifts and hospitality. The whole process is overseen and regulated by a central body, Standards for England.
3. Following the election of the Coalition Government in May 2010, the Government signalled its intention to scrap the current standards regime, as they felt that in practice, the system was ineffective, and led to a lot of minor, ill-founded complaints about members' conduct. They believe that this resulted in lengthy debates about petty complaints or deliberately harmful accusations which undermined people's faith in local democracy. In reality, the vast majority of complaints about members came at the parish council level.

New legislation

4. The Government's Localism Bill received Royal Assent on 15 November 2011, meaning the Localism Act has now become law. Under the standards provisions of the Act, Standards for England's regulatory functions will shortly cease. The date will be confirmed in commencement orders but it is anticipated that this will occur on 31 January 2012.
5. In effect, the Act deregulates the current standards regime, giving authorities (including police authorities) local discretion over how they operate their standards regime.

6. A full copy of the relevant extract from the Act is attached at *Appendix 1*, however the salient points are set out below:-
- The Authority must promote and maintain high standards of conduct by its members
 - The Authority must adopt a Code dealing with the conduct expected of members
 - The Code must be consistent with the following principles – selflessness; integrity; objectivity; accountability; openness; honesty; and leadership (*the current code also includes personal judgement; respect for others; duty to uphold the law; and stewardship*)
 - The Code must provide appropriate registration and disclosure of pecuniary, and other, interests
 - The Authority can revise its existing Code or adopt a new Code to replace it, but any changes must be advertised accordingly
 - The Authority must have in place arrangements on which allegations can be investigated, and determined
 - In making a decision in relation to allegations made, the Authority must have provision to appoint at least one independent person whose views should be sought, and taken into account, on the matter
 - Any vacancies for independent persons must be advertised appropriately and their appointment must be approved by a majority of the Authority
 - The adoption, revision or replacement of the Code may only be discharged by the Authority
 - A register of members interests must be established and maintained by the Authority’s monitoring officer, but it is for the Authority to determine what should be entered into that register (which must be published on the Authority’s website)
 - A member is deemed to have committed an offence if they fail to register an interest in accordance with the Act, and/or participates in any discussion or votes in contravention of the Act
 - Any member found guilty of an offence is liable to a summary conviction to a fine not exceeding level 5 on the standard scale, and could be disqualified from being a member for up to 5 years
7. Interestingly, the Act appears to make no mention of the need to register gifts and hospitality (the current Code requires members to register gifts and/or hospitality received in excess of the value of £25) with current good practice also suggesting that gifts and hospitality declined should also be registered.

8. The Committee may, however, wish to consider including a reference in the Code to the Bribery Act 2010. The Act contains two general offences covering the offering, promising or giving of a bribe (active bribery) and the requesting, agreeing to receive or accepting of a bribe (passive bribery). The provisions of the Act extend the definition of bribery to include seeking (or agreeing) to bring about improper performance of duties. This means performance which amounts to a breach of an expectation that a person will act in good faith, impartially, or in accordance with a position of trust. The offence applies to bribery relating to any function of a public nature, connected with a business, performed in the course of a person's employment or performed on behalf of a company or another body of persons.
9. The Localism Act also takes out police authorities as a relevant authority in relation to this legislation upon their abolition, but the legislation will not cover PCCs once they are elected.

Issues for consideration

10. It is clearly for the Police Authority itself to determine what its standards regime should look like, although given the impending abolition of the Authority itself on 22 November 2011, it may wish to continue with the current arrangement, including rolling forward the current Code of Conduct. Under the current regime, there has been no complaints raised via the Standards Committee, and the Committee itself is only scheduled to meet twice a year, meaning the current arrangements do not present a bureaucratic burden to service.
11. The views of this Committee would be welcome on potential future arrangements up to November 2012 to help inform the report to be presented to the Authority on 7 December 2011 on the same subject. In particular, the Committee's views would be welcome on the following:-
 - Should the current Code be rolled forward or adapted with minor additions/deletions?
 - Should a new simpler code be developed or should the current Code?
 - Would the Committee wish to retain the ten principles which currently underpin the Code or resort to the seven referred to in the Act?
 - Should the current Standards Committee framework be maintained, including two independent members (the Act only requires one), one of whom chairs the Committee?
 - Should the current comprehensive list of members' interests, which cover employment; sponsorship; interests in companies; contracts

with the Police Authority; land in the area; licenses to occupy land; corporate tenancies; and gifts and hospitality, be retained, or a new local register developed?

12. If the Committee decides that a revised code would be appropriate, then this Committee's views will be sought on that revision, possibly at an additional meeting in the new year.

HMIC review of integrity

13. The Standards Committee has a role in promoting and maintaining a high standard of conduct by members, which also includes a role in overseeing the Register of Members' Interests. The issue of standards and integrity is becoming increasingly high profile, given recent cases, such as the phone hacking scandal involving the Metropolitan Police and the News of the World. It is therefore of the utmost importance that police authorities are seen to be both overseeing how the Force is operating in relation to integrity and anti-corruption, but also looking at how it itself operates to ensure the highest standards are adhered to.
14. To this end, Her Majesty's Inspectorate of Constabulary (HMIC) has recently undertaken an integrity review to assess how both forces and authorities are addressing the anti-corruption and integrity agenda. From discussions with the Inspectorate, it is clear that both the Authority and this Committee could take on a more pro-active role, particularly in relation to overseeing the standards of the Authority itself.
15. In relation to standards and integrity within the Force, the Authority's Professional Standards Committee provides rigorous oversight of the Force's process to address integrity issues in the Force, as well as undertaking a dip-sampling process to ensure that complaints are being dealt with appropriately. There is, however, less opportunity for the independent scrutiny of the way in which the Authority itself ensures high standards, other than through scrutiny of the Members' Code of Conduct.

Current review of Code of Conduct compliance

16. Annually, the Chief Executive writes to all members of the Authority to request that they re-register their financial interests, in accordance with the Code of Conduct. This year, the request was sent to members on 1 June 2011 and all 17 members of the Authority complied with the request. The register is then uploaded onto the Authority's website, providing transparency to the public (from the start of the new year, the Localism Act will require authorities to do just that). The annual return also asks members to indicate whether they have been in receipt of any gifts or hospitality, through their role as a member, to the value of £25 or more. No members in the annual return indicated that they had received any gifts or hospitality.

17. Until the HMIC Integrity Review is formally published, it is difficult to accurately predict the areas on which it may focus. One of the emerging issues from the HMIC integrity review, however, is that authorities could be more pro-active in assessing compliance with the Code of Conduct. For example, as well as the Authority asking members whether they have been in the receipt of any gifts or hospitality (in excess of £25), as stated in the Code of Conduct, it should also explore with members whether they have been offered but declined gifts and hospitality, in line with good practice.
18. It is likely that the HMIC integrity review will be of significant interest to this Committee and it is proposed, therefore, that if the report is not available for the Committee to debate, that consideration be given to convening an additional meeting, if necessary, to consider key issues from that report, and make appropriate recommendations to the Authority.

Conclusion

19. Given the implications of the Localism Act 2011, the future of this Committee may be short lived. It will be a decision of the Authority how it chooses to operate its standards regime in its last year before the Police Authority is replaced by a Police and Crime Commissioner, but this Committee clearly has a legitimate role in advising the Authority on how it may wish to more pro-actively oversee the standards and integrity agenda. This could, for example, include a role in advising on the development and review of the Authority's ethical frameworks and associated policies, but also an overview of expenses and allowances paid to Members and Authority Officers (Chief Executive & Treasurer).
20. The HMIC review of integrity is due to be published shortly, although it is not clear at this stage whether it will be published in time for the meeting of the Committee to consider any implications which could impact on the Authority's ethical and standards agenda. In the absence of that report, however, the views of the Committee would still be welcome, particularly in how the Authority can respond to the new responsibilities included in the Localism Act whilst becoming more pro-active in reviewing integrity issues.

Recommended: That

- (1) the report be noted;
- (2) consider the implications of the Localism Act on the future of the Authority's standards regime and offer its views to the Authority;
- (3) consideration be given to how the Standards Committee (or Authority) could take on a more pro-active role on standards and integrity issues; and

- (4) dependent on the content of the HMIC report, an additional meeting of the Committee be held in the new year to consider the outcome of the HMIC integrity review

DAMON TAYLOR
Chief Executive

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CHAPTER 7**STANDARDS****26 Amendments of existing provisions**

Schedule 4 (which amends the existing provisions relating to the conduct of local government members and employees in England and makes related provision) has effect.

27 Duty to promote and maintain high standards of conduct

- (1) A relevant authority must promote and maintain high standards of conduct by members and co-opted members of the authority.
- (2) In discharging its duty under subsection (1), a relevant authority must, in particular, adopt a code dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity.
- (3) A relevant authority that is a parish council –
 - (a) may comply with subsection (2) by adopting the code adopted under that subsection by its principal authority, where relevant on the basis that references in that code to its principal authority’s register are to its register, and
 - (b) may for that purpose assume that its principal authority has complied with section 28(1) and (2).
- (4) In this Chapter “co-opted member”, in relation to a relevant authority, means a person who is not a member of the authority but who –
 - (a) is a member of any committee or sub-committee of the authority, or
 - (b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority,and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee.
- (5) A reference in this Chapter to a joint committee or joint sub-committee of a relevant authority is a reference to a joint committee on which the authority is represented or a sub-committee of such a committee.
- (6) In this Chapter “relevant authority” means –
 - (a) a county council in England,
 - (b) a district council,
 - (c) a London borough council,
 - (d) a parish council,
 - (e) the Greater London Authority,
 - (f) the Metropolitan Police Authority,
 - (g) the London Fire and Emergency Planning Authority,
 - (h) the Common Council of the City of London in its capacity as a local authority or police authority,
 - (i) the Council of the Isles of Scilly,
 - (j) a fire and rescue authority in England constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies,

- (k) a police authority (in England or in Wales) established under section 3 of the Police Act 1996,
 - (l) a joint authority established by Part 4 of the Local Government Act 1985,
 - (m) an economic prosperity board established under section 88 of the Local Democracy, Economic Development and Construction Act 2009,
 - (n) a combined authority established under section 103 of that Act,
 - (o) the Broads Authority, or
 - (p) a National Park authority in England established under section 63 of the Environment Act 1995.
- (7) Any reference in this Chapter to a member of a relevant authority –
- (a) in the case of a relevant authority to which Part 1A of the Local Government Act 2000 applies, includes a reference to an elected mayor;
 - (b) in the case of the Greater London Authority, is a reference to the Mayor of London or a London Assembly member.
- (8) Functions that are conferred by this Chapter on a relevant authority to which Part 1A of the Local Government Act 2000 applies are not to be the responsibility of an executive of the authority under executive arrangements.
- (9) Functions that are conferred by this Chapter on the Greater London Authority are to be exercisable by the Mayor of London and the London Assembly acting jointly on behalf of the Authority.
- (10) In this Chapter except section 35 –
- (a) a reference to a committee or sub-committee of a relevant authority is, where the relevant authority is the Greater London Authority, a reference to –
 - (i) a committee or sub-committee of the London Assembly, or
 - (ii) the standards committee, or a sub-committee of that committee, established under that section,
 - (b) a reference to a joint committee on which a relevant authority is represented is, where the relevant authority is the Greater London Authority, a reference to a joint committee on which the Authority, the London Assembly or the Mayor of London is represented,
 - (c) a reference to becoming a member of a relevant authority is, where the relevant authority is the Greater London Authority, a reference to becoming the Mayor of London or a member of the London Assembly, and
 - (d) a reference to a meeting of a relevant authority is, where the relevant authority is the Greater London Authority, a reference to a meeting of the London Assembly;
- and in subsection (4)(b) the reference to representing the relevant authority is, where the relevant authority is the Greater London Authority, a reference to representing the Authority, the London Assembly or the Mayor of London.

28 Codes of conduct

- (1) A relevant authority must secure that a code adopted by it under section 27(2) (a “code of conduct”) is, when viewed as a whole, consistent with the following principles –
- (a) selflessness;
 - (b) integrity;

- (c) objectivity;
 - (d) accountability;
 - (e) openness;
 - (f) honesty;
 - (g) leadership.
- (2) 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—
- (a) pecuniary interests, and
 - (b) interests other than pecuniary interests.
- (3) Sections 29 to 34 do not limit what may be included in a relevant authority’s code of conduct, but nothing in a relevant authority’s code of conduct prejudices the operation of those sections.
- (4) A failure to comply with a relevant authority’s code of conduct is not to be dealt with otherwise than in accordance with arrangements made under subsection (6); in particular, a decision is not invalidated just because something that occurred in the process of making the decision involved a failure to comply with the code.
- (5) A relevant authority may—
- (a) revise its existing code of conduct, or
 - (b) adopt a code of conduct to replace its existing code of conduct.
- (6) A relevant authority other than a parish council must have in place—
- (a) arrangements under which allegations can be investigated, and
 - (b) arrangements under which decisions on allegations can be made.
- (7) Arrangements put in place under subsection (6)(b) by a relevant authority must include provision for the appointment by the authority of at least one independent person—
- (a) whose views are to be sought, and taken into account, by the authority before it makes its decision on an allegation that it has decided to investigate, and
 - (b) whose views may be sought—
 - (i) by the authority in relation to an allegation in circumstances not within paragraph (a),
 - (ii) by a member, or co-opted member, of the authority if that person’s behaviour is the subject of an allegation, and
 - (iii) by a member, or co-opted member, of a parish council if that person’s behaviour is the subject of an allegation and the authority is the parish council’s principal authority.
- (8) For the purposes of subsection (7)—
- (a) a person is not independent if the person is—
 - (i) a member, co-opted member or officer of the authority,
 - (ii) a member, co-opted member or officer of a parish council of which the authority is the principal authority, or
 - (iii) a relative, or close friend, of a person within sub-paragraph (i) or (ii);

- (b) a person may not be appointed under the provision required by subsection (7) if at any time during the 5 years ending with the appointment the person was –
 - (i) a member, co-opted member or officer of the authority, or
 - (ii) a member, co-opted member or officer of a parish council of which the authority is the principal authority;
 - (c) a person may not be appointed under the provision required by subsection (7) unless –
 - (i) the vacancy for an independent person has been advertised in such manner as the authority considers is likely to bring it to the attention of the public,
 - (ii) the person has submitted an application to fill the vacancy to the authority, and
 - (iii) the person’s appointment has been approved by a majority of the members of the authority;
 - (d) a person appointed under the provision required by subsection (7) does not cease to be independent as a result of being paid any amounts by way of allowances or expenses in connection with performing the duties of the appointment.
- (9) In subsections (6) and (7) “allegation”, in relation to a relevant authority, means a written allegation –
- (a) that a member or co-opted member of the authority has failed to comply with the authority’s code of conduct, or
 - (b) that a member or co-opted member of a parish council for which the authority is the principal authority has failed to comply with the parish council’s code of conduct.
- (10) For the purposes of subsection (8) a person (“R”) is a relative of another person if R is –
- (a) the other person’s spouse or civil partner,
 - (b) living with the other person as husband and wife or as if they were civil partners,
 - (c) a grandparent of the other person,
 - (d) a lineal descendant of a grandparent of the other person,
 - (e) a parent, sibling or child of a person within paragraph (a) or (b),
 - (f) the spouse or civil partner of a person within paragraph (c), (d) or (e), or
 - (g) living with a person within paragraph (c), (d) or (e) as husband and wife or as if they were civil partners.
- (11) If a relevant authority finds that a member or co-opted member of the authority has failed to comply with its code of conduct (whether or not the finding is made following an investigation under arrangements put in place under subsection (6)) it may have regard to the failure in deciding –
- (a) whether to take action in relation to the member or co-opted member, and
 - (b) what action to take.
- (12) A relevant authority must publicise its adoption, revision or replacement of a code of conduct in such manner as it considers is likely to bring the adoption, revision or replacement of the code of conduct to the attention of persons who live in its area.

- (13) A relevant authority's function of adopting, revising or replacing a code of conduct may be discharged only by the authority.
- (14) Accordingly –
- (a) in the case of an authority to whom section 101 of the Local Government Act 1972 (arrangements for discharge of functions) applies, the function is not a function to which that section applies;
 - (b) in the case of the Greater London Authority, the function is not a function to which section 35 (delegation of functions by the Greater London Authority) applies.

29 Register of interests

- (1) The monitoring officer of a relevant authority must establish and maintain a register of interests of members and co-opted members of the authority.
- (2) Subject to the provisions of this Chapter, it is for a relevant authority to determine what is to be entered in the authority's register.
- (3) Nothing in this Chapter requires an entry to be retained in a relevant authority's register once the person concerned –
 - (a) no longer has the interest, or
 - (b) is (otherwise than transitorily on re-election or re-appointment) neither a member nor a co-opted member of the authority.
- (4) In the case of a relevant authority that is a parish council, references in this Chapter to the authority's monitoring officer are to the monitoring officer of the parish council's principal authority.
- (5) The monitoring officer of a relevant authority other than a parish council must secure –
 - (a) that a copy of the authority's register is available for inspection at a place in the authority's area at all reasonable hours, and
 - (b) that the register is published on the authority's website.
- (6) The monitoring officer of a relevant authority that is a parish council must –
 - (a) secure that a copy of the parish council's register is available for inspection at a place in the principal authority's area at all reasonable hours,
 - (b) secure that the register is published on the principal authority's website, and
 - (c) provide the parish council with any data it needs to comply with subsection (7).
- (7) A parish council must, if it has a website, secure that its register is published on its website.
- (8) Subsections (5) to (7) are subject to section 32(2).
- (9) In this Chapter "principal authority", in relation to a parish council, means –
 - (a) in the case of a parish council for an area in a district that has a district council, that district council,
 - (b) in the case of a parish council for an area in a London borough, the council of that London borough, and
 - (c) in the case of a parish council for any other area, the county council for the county that includes that area.

- (10) In this Chapter “register”, in relation to a relevant authority, means its register under subsection (1).

30 Disclosure of pecuniary interests on taking office

- (1) A member or co-opted member of a relevant authority must, before the end of 28 days beginning with the day on which the person becomes a member or co-opted member of the authority, notify the authority’s monitoring officer of any disclosable pecuniary interests which the person has at the time when the notification is given.
- (2) Where a person becomes a member or co-opted member of a relevant authority as a result of re-election or re-appointment, subsection (1) applies only as regards disclosable pecuniary interests not entered in the authority’s register when the notification is given.
- (3) For the purposes of this Chapter, a pecuniary interest is a “disclosable pecuniary interest” in relation to a person (“M”) if it is of a description specified in regulations made by the Secretary of State and either –
- (a) it is an interest of M’s, or
 - (b) it is an interest of –
 - (i) M’s spouse or civil partner,
 - (ii) a person with whom M is living as husband and wife, or
 - (iii) a person with whom M is living as if they were civil partners, and M is aware that that other person has the interest.
- (4) Where a member or co-opted member of a relevant authority gives a notification for the purposes of subsection (1), the authority’s monitoring officer is to cause the interests notified to be entered in the authority’s register (whether or not they are disclosable pecuniary interests).

31 Pecuniary interests in matters considered at meetings or by a single member

- (1) Subsections (2) to (4) apply if a member or co-opted member of a relevant authority –
- (a) is present at a meeting of the authority or of any committee, sub-committee, joint committee or joint sub-committee of the authority,
 - (b) has a disclosable pecuniary interest in any matter to be considered, or being considered, at the meeting, and
 - (c) is aware that the condition in paragraph (b) is met.
- (2) If the interest is not entered in the authority’s register, the member or co-opted member must disclose the interest to the meeting, but this is subject to section 32(3).
- (3) If the interest is not entered in the authority’s register and is not the subject of a pending notification, the member or co-opted member must notify the authority’s monitoring officer of the interest before the end of 28 days beginning with the date of the disclosure.
- (4) The member or co-opted member may not –
- (a) participate, or participate further, in any discussion of the matter at the meeting, or
 - (b) participate in any vote, or further vote, taken on the matter at the meeting,

but this is subject to section 33.

- (5) In the case of a relevant authority to which Part 1A of the Local Government Act 2000 applies and which is operating executive arrangements, the reference in subsection (1)(a) to a committee of the authority includes a reference to the authority's executive and a reference to a committee of the executive.
- (6) Subsections (7) and (8) apply if—
 - (a) a function of a relevant authority may be discharged by a member of the authority acting alone,
 - (b) the member has a disclosable pecuniary interest in any matter to be dealt with, or being dealt with, by the member in the course of discharging that function, and
 - (c) the member is aware that the condition in paragraph (b) is met.
- (7) If the interest is not entered in the authority's register and is not the subject of a pending notification, the member must notify the authority's monitoring officer of the interest before the end of 28 days beginning with the date when the member becomes aware that the condition in subsection (6)(b) is met in relation to the matter.
- (8) The member must not take any steps, or any further steps, in relation to the matter (except for the purpose of enabling the matter to be dealt with otherwise than by the member).
- (9) Where a member or co-opted member of a relevant authority gives a notification for the purposes of subsection (3) or (7), the authority's monitoring officer is to cause the interest notified to be entered in the authority's register (whether or not it is a disclosable pecuniary interest).
- (10) Standing orders of a relevant authority may provide for the exclusion of a member or co-opted member of the authority from a meeting while any discussion or vote takes place in which, as a result of the operation of subsection (4), the member or co-opted member may not participate.
- (11) For the purpose of this section, an interest is "subject to a pending notification" if—
 - (a) under this section or section 30, the interest has been notified to a relevant authority's monitoring officer, but
 - (b) has not been entered in the authority's register in consequence of that notification.

32 Sensitive interests

- (1) Subsections (2) and (3) apply where—
 - (a) a member or co-opted member of a relevant authority has an interest (whether or not a disclosable pecuniary interest), and
 - (b) the nature of the interest is such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.
- (2) If the interest is entered in the authority's register, copies of the register that are made available for inspection, and any published version of the register, must not include details of the interest (but may state that the member or co-opted

member has an interest the details of which are withheld under this subsection).

- (3) If section 31(2) applies in relation to the interest, that provision is to be read as requiring the member or co-opted member to disclose not the interest but merely the fact that the member or co-opted member has a disclosable pecuniary interest in the matter concerned.

33 Dispensations from section 31(4)

- (1) A relevant authority may, on a written request made to the proper officer of the authority by a member or co-opted member of the authority, grant a dispensation relieving the member or co-opted member from either or both of the restrictions in section 31(4) in cases described in the dispensation.
- (2) A relevant authority may grant a dispensation under this section only if, after having had regard to all relevant circumstances, the authority –
 - (a) considers that without the dispensation the number of persons prohibited by section 31(4) from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business,
 - (b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business,
 - (c) considers that granting the dispensation is in the interests of persons living in the authority's area,
 - (d) if it is an authority to which Part 1A of the Local Government Act 2000 applies and is operating executive arrangements, considers that without the dispensation each member of the authority's executive would be prohibited by section 31(4) from participating in any particular business to be transacted by the authority's executive, or
 - (e) considers that it is otherwise appropriate to grant a dispensation.
- (3) A dispensation under this section must specify the period for which it has effect, and the period specified may not exceed four years.
- (4) Section 31(4) does not apply in relation to anything done for the purpose of deciding whether to grant a dispensation under this section.

34 Offences

- (1) A person commits an offence if, without reasonable excuse, the person –
 - (a) fails to comply with an obligation imposed on the person by section 30(1) or 31(2), (3) or (7),
 - (b) participates in any discussion or vote in contravention of section 31(4), or
 - (c) takes any steps in contravention of section 31(8).
- (2) A person commits an offence if under section 30(1) or 31(2), (3) or (7) the person provides information that is false or misleading and the person –
 - (a) knows that the information is false or misleading, or
 - (b) is reckless as to whether the information is true and not misleading.

- (3) A person who is guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 5 on the standard scale.
- (4) A court dealing with a person for an offence under this section may (in addition to any other power exercisable in the person's case) by order disqualify the person, for a period not exceeding five years, for being or becoming (by election or otherwise) a member or co-opted member of the relevant authority in question or any other relevant authority.
- (5) A prosecution for an offence under this section is not to be instituted except by or on behalf of the Director of Public Prosecutions.
- (6) Proceedings for an offence under this section may be brought within a period of 12 months beginning with the date on which evidence sufficient in the opinion of the prosecutor to warrant the proceedings came to the prosecutor's knowledge.
- (7) But no such proceedings may be brought more than three years –
 - (a) after the commission of the offence, or
 - (b) in the case of a continuous contravention, after the last date on which the offence was committed.
- (8) A certificate signed by the prosecutor and stating the date on which such evidence came to the prosecutor's knowledge is conclusive evidence of that fact; and a certificate to that effect and purporting to be so signed is to be treated as being so signed unless the contrary is proved.
- (9) The Local Government Act 1972 is amended as follows.
- (10) In section 86(1)(b) (authority to declare vacancy where member becomes disqualified otherwise than in certain cases) after "2000" insert "or section 34 of the Localism Act 2011".
- (11) In section 87(1)(ee) (date of casual vacancies) –
 - (a) after "2000" insert "or section 34 of the Localism Act 2011 or", and
 - (b) after "decision" insert "or order".
- (12) The Greater London Authority Act 1999 is amended as follows.
- (13) In each of sections 7(b) and 14(b) (Authority to declare vacancy where Assembly member or Mayor becomes disqualified otherwise than in certain cases) after sub-paragraph (i) insert –

“(ia) under section 34 of the Localism Act 2011,”.
- (14) In section 9(1)(f) (date of casual vacancies) –
 - (a) before "or by virtue of" insert "or section 34 of the Localism Act 2011", and
 - (b) after "that Act" insert "of 1998 or that section".

35 Delegation of functions by Greater London Authority

- (1) The Mayor of London and the London Assembly, acting jointly, may arrange for any of the functions conferred on them by or under this Chapter to be exercised on their behalf by –
 - (a) a member of staff of the Greater London Authority, or
 - (b) a committee appointed in accordance with provision made by virtue of this section.

- (2) Standing orders of the Greater London Authority may make provision regulating the exercise of functions by any member of staff of the Authority pursuant to arrangements under subsection (1).
- (3) Standing orders of the Greater London Authority may make provision for the appointment of a committee (“the standards committee”) to exercise functions conferred on the Mayor of London and the London Assembly by or under this Chapter in accordance with arrangements under subsection (1).
- (4) Standing orders of the Greater London Authority may make provision about the membership and procedure of the standards committee.
- (5) The provision that may be made under subsection (4) includes –
 - (a) provision for the standards committee to arrange for the discharge of its functions by a sub-committee of that committee;
 - (b) provision about the membership and procedure of such a sub-committee.
- (6) Subject to subsection (7), the standards committee and any sub-committee of that committee –
 - (a) is not to be treated as a committee or (as the case may be) sub-committee of the London Assembly for the purposes of the Greater London Authority Act 1999, but
 - (b) is a committee or (as the case may be) sub-committee of the Greater London Authority for the purposes of Part 3 of the Local Government Act 1974 (investigations by Commission for Local Administration in England).
- (7) Sections 6(3)(a) (failure to attend meetings) and 73(6) (functions of monitoring officer) of the Greater London Authority Act 1999 apply to the standards committee or any sub-committee of that committee as they apply to a committee of the London Assembly or any sub-committee of such a committee.
- (8) Part 5A of the Local Government Act 1972 (access to meetings and documents) applies to the standards committee or any sub-committee of that committee as if –
 - (a) it were a committee or (as the case may be) a sub-committee of a principal council within the meaning of that Part, and
 - (b) the Greater London Authority were a principal council in relation to that committee or sub-committee.
- (9) Arrangements under this section for the exercise of any function by –
 - (a) a member of staff of the Greater London Authority, or
 - (b) the standards committee,do not prevent the Mayor of London and the London Assembly from exercising those functions.
- (10) References in this section to the functions of the Mayor of London and the London Assembly conferred by or under this Chapter do not include their functions under this section.
- (11) In this section “member of staff of the Greater London Authority” has the same meaning as in the Greater London Authority Act 1999 (see section 424(1) of that Act).

36 Amendment of section 27 following abolition of police authorities

In section 27(6) (which defines “relevant authority” for the purposes of this Chapter) omit—

- (a) paragraph (f) (the Metropolitan Police Authority), and
- (b) paragraph (k) (police authorities).

37 Transitional provision

- (1) An order under section 240(2) may, in particular, provide for any provision made by or under Part 3 of the Local Government Act 2000 to have effect with modifications in consequence of any partial commencement of any of the amendments to, or repeals of, provisions of that Part made by Schedule 4.
- (2) An order under section 240(2) may, in particular, make provision for an allegation or a case that is being investigated under Part 3 of the Local Government Act 2000 by the Standards Board for England or an ethical standards officer—
 - (a) to be referred to an authority of a kind specified in or determined in accordance with the order;
 - (b) to be dealt with in accordance with provision made by the order.
- (3) The provision that may be made by virtue of subsection (2)(b) includes—
 - (a) provision corresponding to any provision made by or under Part 3 of the Local Government Act 2000;
 - (b) provision applying any provision made by or under that Part with or without modifications.

CHAPTER 8

PAY ACCOUNTABILITY

38 Pay policy statements

- (1) A relevant authority must prepare a pay policy statement for the financial year 2012-2013 and each subsequent financial year.
- (2) A pay policy statement for a financial year must set out the authority’s policies for the financial year relating to—
 - (a) the remuneration of its chief officers,
 - (b) the remuneration of its lowest-paid employees, and
 - (c) the relationship between—
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.
- (3) The statement must state—
 - (a) the definition of “lowest-paid employees” adopted by the authority for the purposes of the statement, and
 - (b) the authority’s reasons for adopting that definition.
- (4) The statement must include the authority’s policies relating to—
 - (a) the level and elements of remuneration for each chief officer,
 - (b) remuneration of chief officers on recruitment,
 - (c) increases and additions to remuneration for each chief officer,