

**REPORT TO COUNCIL****REVIEW OF MEMBER CODE OF CONDUCT****KEY ISSUE/DECISION:**

To agree revisions to the existing Member Code of Conduct following review by the Constitution Review Group.

**INTRODUCTION:**

- 1 At its meeting on 19 May 2015, the Council agreed that the Constitution Review Group should continue its work for another year. Alongside its review of Standing Orders, during that time, the Group, comprising Nick Skellett as Chairman, Liz Bowes, Steve Cosser, Nick Harrison and Hazel Watson, has reviewed the Member Code of Conduct. As part of this process a joint meeting was held with the Member Conduct Panel in April 2016, as well as a seminar to which all Members were invited in June 2016. This report sets out the reasoning for the proposed changes to the Code of Conduct recommended by the Constitution Review Group. A copy of the Code of Conduct amended to include the Review Group's proposals is attached at Annex 1 for the Council's approval.

**DECLARATIONS OF INTERESTS:**

- 2 The Member Code of Conduct incorporates the seven principles of public life. One key principle is that Members must avoid placing themselves under any obligation to outside individuals or organisations that might seek inappropriate influence over their official duties. Members must not act or take decisions in order to gain financial or other material benefits for themselves or their family and friends.
- 3 Currently, the Member Code of Conduct requires Members to register pecuniary interests. The Constitution Review Group considered that the guidance on pecuniary interests should be extended to require Members to declare a disclosable pecuniary interest at a meeting, or to explain to the Chairman the intention to withdraw before leaving the meeting. These revisions are set out in paragraph 4 (II) of Annex 1 to this report.
- 4 Although there is no mandatory obligation to maintain a register of personal interests, guidance from the Department for Communities and Local Government (DCLG) issued in September 2013 suggested that Councils should consider requiring Members to register non-pecuniary personal interests as a means of ensuring demonstrable openness and transparency. At the same time, the guidance recognised that it is for individual Councils to determine what is to be entered in its Register in respect of Members' interests. An internal audit of

Members' Interests in 2015, having considered the DCLG guidance, recommended that the Council should introduce a register for personal interests.

- 5 The Constitution Review Group was invited to consider whether it wished to introduce more transparency around Members' personal interests by recommending that Members register personal interests and declare them at meetings. The Group's joint meeting with the Member Conduct Panel in April 2016 discussed this recommendation, and it was addressed further with a wider group of Members at the seminar in June 2016.
- 6 Although at the joint meeting there was a narrow majority in favour of retaining the existing arrangements and not introducing a register of personal interests, the view was that personal interests should be declared at a meeting when relevant to the issue under consideration. Following discussion at the seminar, the vast majority of Members present agreed that a register for significant personal interests, as defined in section E of the annex to this report, should be introduced.
- 7 The Constitution Review Group was also invited to clarify the position on the declaration of prejudicial interests. The Group's proposed guidance on the definition of a prejudicial interest and the action that should be taken where one exists is set out in section F of the annex to this report.

#### **DECLARATIONS OF GIFTS AND HOSPITALITY:**

- 8 There was also discussion by the Constitution Review Group and at the seminar in relation to the declaration of gifts and hospitality. The current arrangements for Members set out in the Constitution state that *'you must notify the authority's monitoring officer of any gift or hospitality with a value of £100 or above which you have been offered in your role as a Member or Co-opted Member, within 28 days of accepting or refusing the offer and you must declare the acceptance of any such gift or hospitality at any discussion of, vote on, or discharge of any function relating to the donor.'* The view of the majority of Members present at the seminar was that gifts and hospitality with a value of £100 or above should be registered and declared only when it is actually accepted. However, it was agreed that where an offer has been declined, Members should, if they feel it appropriate because of its nature, report the offer to the Monitoring Officer.

#### **REVISED CODE OF CONDUCT:**

- 9 The Constitution Review Group has reviewed the Member Code of Conduct and proposes revisions to the declaration and registration of personal non-pecuniary interests and gifts and hospitality highlighted above, as well as to make the Code clearer and more informative.

#### **RECOMMENDATIONS:**

That the revised Member Code of Conduct attached at Annex 1 be agreed so that:

- (a) Members are required to register pecuniary interests as outlined in Schedule B and significant personal interests as outlined in Schedule E.
- (b) Members are required to register gifts and hospitality to the value of £100 or more that they have accepted.

- (c) Where a Member has a disclosable or non disclosable interest that is prejudicial in any matter to be considered at a meeting of the Council, the Cabinet, a committee, sub-committee or joint committee of the Council, he or she is required to declare it at the meeting or to notify the chairman of the reason for withdrawing from that meeting.

**REASON FOR RECOMMENDATION:**

To promote local rules to ensure that there is confidence that councillors are putting the public interest first and demonstrating transparency about their financial affairs.

---

**Contact:** Bryan Searle, Tel: 020 8541 9019, email: [bryans@surreycc.gov.uk](mailto:bryans@surreycc.gov.uk)

**Sources/background papers:**

None

This page is intentionally left blank