2001 No. 3575

LOCAL GOVERNMENT, ENGLAND

The Local Authorities (Model Code of Conduct) (England) Order 2001

Made - - - - -	*5th November 2001*
Laid before Parliament	*6th November 2001*
Coming into force - -	*27th November 2001*

The Secretary of State for Transport, Local Government and the Regions, in exercise of the powers conferred upon him by sections 50(1) and (4), 81(2) and (3), and 105(2), (3) and (4) of the Local Government Act 2000(**a**), and of all other powers enabling him in that behalf, having carried out such consultation as is required by virtue of section 49 of that Act, and being satisfied that this order is consistent with the principles for the time being specified in an order(**b**) under section 49(1) of that Act, hereby makes the following Order:

Citation, commencement and application

1.—(1) This Order may be cited as the Local Authorities (Model Code of Conduct) (England) Order 2001 and shall come into force on 27th November 2001.

(2) This Order applies in relation to these authorities in England(**c**)—

(a) a county council;

(b) a district council;

(c) a London borough council;

(d) the Greater London Authority;

(e) the London Fire and Emergency Planning Authority;

(f) the Common Council of the City of London in its capacity as a local authority or police authority;

(g) the Council of the Isles of Scilly;

(h) a fire authority constituted by a combination scheme under the Fire Services Act 1947(**d**); and

(i) a joint authority established by Part IV of the Local Government Act 1985(**e**),

and references to "authority" shall be construed accordingly.

(**a**) 2000 c. 22.
(**b**) *See* The Relevant Authorities (General Principles) Order 2001 (S.I. 2001/1401).
(**c**) *See* section 50(2) of the Local Government Act 2000 for the power of the National Assembly for Wales to issue a model code as regards the conduct which is expected of members and co-opted members of relevant authorities in Wales other than police authorities.
(**d**) 1947 c. 41 (10 & 11 Geo 6).
(**e**) 1985 c. 51.

[DTLR 2266]

Model code of conduct—authorities operating executive arrangements

2.—(1) The Secretary of State hereby issues a model code as regards the conduct which is expected of members and co-opted members(**a**) of authorities which are operating executive arrangements(**b**) and that code is set out in Schedule 1 to this Order.

(2) For such authorities, all the provisions of the model code in Schedule 1 to this Order are mandatory(**c**).

(3) Where an authority which is not operating executive arrangements begins to do so, Schedule 1 to this Order shall have effect in relation to that authority as if it consisted of mandatory provisions of a model code of conduct issued in a subsequent order made under section 51(2) of the Local Government Act 2000 on the day on which the authority begins to operate those arrangements.

Model code of conduct—authorities not operating executive arrangements

3.—(1) The Secretary of State hereby issues a model code as regards the conduct which is expected of members and co-opted members of authorities which are not operating executive arrangements and that code is set out in Schedule 2 to this Order.

(2) For such authorities, all the provisions of the model code in Schedule 2 to this Order are mandatory.

(3) Where an authority which is operating executive arrangements ceases to do so(**d**), Schedule 2 to this Order shall have effect in relation to that authority as if it consisted of mandatory provisions of a model code of conduct issued in a subsequent order made under section 51(2) of the Local Government Act 2000 on the day on which the authority ceases to operate those arrangements.

Transitional provision

4.—(1) On the day an authority's code of conduct is adopted or applied(**e**) to it, the following shall, where applicable to the authority, be disapplied as respects that authority until 27th July 2002—

(a) sections 94 to 98 and 105 of the Local Government Act 1972(**f**);

(b) any order made under section 83 of the Local Government Act 1972(**g**);

(c) section 30(3A) of the Local Government Act 1974(**h**);

(d) any regulations made or code issued under sections 19 and 31 of the Local Government and Housing Act 1989(**i**);

(**a**) *See* section 49(7) of the Local Government Act 2000 for the definition of "co-opted member". Under section 83(3) and (4) of that Act, references to a member of a relevant authority include references to an elected mayor, an elected executive member, the Mayor of London and a member of the London Assembly.

(**b**) *See* section 10 of the Local Government Act 2000 for the definition of "executive arrangements".

(**c**) *See* sections 50 and 51 of the Local Government Act 2000 for the effect of a mandatory provision.

(**d**) *See* section 29(3) of the Local Government Act 2000 for the circumstances in which an authority may cease to operate executive arrangements.

(**e**) *See* section 51(2) and (5) of the Local Government Act 2000 for the requirements for authorities to adopt a code of conduct and for provision applying the mandatory provisions of this Order.

(**f**) 1972 c. 70. Section 94 is amended by sections 37, 38 and 46 of the Criminal Justice Act 1982 (c. 48); section 103 of and paragraph 21 of Schedule 7 to the Police Act 1996 (c. 16); section 88 of and paragraph 1 of Schedule 6 to the Police Act 1997 (c. 50); sections 128(1) and 137 of, paragraphs 22 and 23 of Schedule 6 to and Part V of Schedule 7 to the Criminal Justice and Police Act 2001 (c. 16) ; and paragraph 22 of Schedule 11 to the Local Government and Housing Act 1989 c. 42. Section 97 is amended by section 194 of and paragraph 23 of Schedule 11 to the Local Government and Housing Act 1989 and section 161 of and paragraph 5 of schedule 11 to the Transport Act 2000 c. 38. Section 98 is amended by section 212(2) of and paragraph 8 of Schedule 16 to the Financial Services Act 1986 (c. 60); section 84 of and paragraph 13 of Schedule 14 to the Local Government Act 1985 (c. 51); sections 325 and 328 of, paragraph 25 of Schedule 27 to and Part I of Schedule 29 to the Greater London Authority Act 1999 (c. 29); section 43 of and paragraph 7 of Schedule 4 to the Police and Magistrates' Court Act 1994 (c. 29); section 103 of and paragraph 1(2)(h) of Schedule 7 to the Police Act 1996; section 88 of and paragraph 2 of Schedule 6 to the Police Act 1997; section 237 of and Schedule 13 to the Education Reform Act 1988 (c. 40); and sections 128(1), 137 of, paragraphs 22 and 24 of Schedule 6 to and Part V of Schedule 7 to the Criminal Justice and Police Act 2001. Under section 107 of, paragraph 12 of Schedule 5 to and Schedule 6 to the Local Government Act 2000, sections 94 to 98 and 105 of the 1972 Act are to be repealed at a date to be appointed.

(**g**) *See* The Local Elections (Principal Areas) (Declaration of Acceptance of Office) Order 1990 (S.I. 1990/932).

(**h**) 1974 c. 7. Section 30(3A) was inserted by section 32(1)(b) of the Local Government and Housing Act 1989 and under section 107 of, paragraph 15(b) of Schedule 5 to and Schedule 6 to the Local Government Act 2000, this provision is to be repealed at a date to be appointed.

(**i**) 1989 c. 42. Under section 107 of, paragraph 25 and 26 of Schedule 5 to and Schedule 6 to the Local Government Act 2000, these provisions are to be repealed at a date to be appointed.

(e) in section 17 of the Audit Commission Act 1998, subsections (1)(b), (3), (5)(b), (7) and (8) and in subsection (2), the words "subject to subsection (3)" and paragraphs (a) and (b)(**a**);

(f) section 18 of the Audit Commission Act 1998(**b**);

(g) any order made under section 28 of the Greater London Authority Act 1999(**c**); and

(h) any guidance issued under section 66 of the Greater London Authority Act 1999.

(2) Section 16(1) of the Interpretation Act 1978(**d**) shall apply to a disapplication under paragraph (1) above as if it were a repeal, by an Act, of an enactment.

Signed by authority of the Secretary of State
for Transport, Local Government and the Regions

Nick Raynsford
Minister of State,
Department for Transport, Local Government and the Regions

5th November 2001

(**a**) 1998 c. 18. Section 17 was amended by paragraphs 1, 6(1) and (2)(a) of Schedule 8 to and section 133 of the Greater London Authority Act 1999 and by Schedule 7 to and section 137 of the Criminal Justice and Police Act 2001. The provisions disapplied are to be repealed under section 90(2) of the Local Government Act 2000 at a date to be appointed.

(**b**) Section 18 was amended by paragraph 7 of Schedule 8 to the Greater London Authority Act 1999. This provision is to be repealed under section 90(3) of the Local Government Act 2000, at a date to be appointed.

(**c**) *See* The Greater London Authority (Elections and Acceptance of Office) Order 2000 (S.I. 2000/308).

(**d**) 1978 c. 30.

SCHEDULE 1

Article 2

THE MODEL CODE OF CONDUCT—AUTHORITIES OPERATING EXECUTIVE ARRANGEMENTS

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(**a**), 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 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—

(**a**) *See* section 49(6) of the Local Government Act 2000 for the definition of "relevant authority".

(i) the authority's chief finance officer acting in pursuance of his duties under section 114 of the Local Government Finance Act 1988(**a**); 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(**b**); 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(**c**).

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 14 and 15 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 15 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 preceeding 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(**d**) of that decision records the existence and nature of that interest.

(**a**) 1988 c. 41. Section 114 was amended by section 130(1) to (4) of the Greater London Authority Act 1999; articles 1, 2(k) and 20 of S.I. 2001/2237; section 43 and paragraph 34 of Schedule 4 to the Police and Magistrates' Court Act 1994; section 88 of and paragraph 28 of Schedule 6 to the Police Act 1997; and sections 128(1) and 137 of, paragraphs 45 and 48 of Schedule 6 to and Part V of Schedule 7 to the Criminal Justice and Police Act 2001.

(**b**) 1989 c. 42. Section 5 was amended by articles 1, 2 and 23 of S.I. 2001/2237; section 107 of and paragraphs 24 of Schedule 5 to the Local Government Act 2000, sections 43 and 93 of, paragraph 35 of Schedule 4 to and Schedule 9 to the Police and Magistrates' Court Act 1994; section 103 of and paragraph 1(2) of Schedule 7 to the Police Act 1996; sections 127(2) and 325 of and paragraph 62 of Schedule 27 to the Greater London Authority Act 1999; and section 120 of and Schedule 24 to the Environment Act 1995.

(**c**) 2000 c. 22. *See* The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 S.I. 2000/3272.

(**d**) *See* regulation 4 of S.I. 2000/3272 for the requirement to make a written statement in respect of an executive decision.

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(**a**), where the member is in receipt of, or is entitled to the receipt of such pay from a relevant authority; and

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

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) committees 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(**d**) 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.

(**a**) 1992 c. 4. Part XI has been amended.

(**b**) 1972 c. 70. Sections 173 to 176 were amended by section 194 of and paragraphs 26 and 27 of Schedule 11 to the Local Government and Housing Act 1989; section 7 of the Miscellaneous Financial Provisions Act 1983 (c. 29); sections 25 and 194 of and Schedule 34 to the Local Government, Planning and Land Act 1980 (c. 65); section 11(3) of and Schedule V to the Water Act 1983; section 328 of and paragraph 18 and 19 of Schedule 29 to the Greater London Authority Act 1999; section 84 of and paragraph 18 of Schedule 14 to the Local Government Act 1985 and section 237 of and Schedule 13 to the Education Reform Act 1988. Section 173A was inserted by section 24(2) of the Local Government, Planning and Land Act 1980.

(**c**) 1989 c. 42. Section 18 was amended by section 99 of the Local Government Act 2000; section 43 of and paragraph 37 to Schedule 4 of the Police and Magistrates' Court Act 1994 and section 582(1) of and paragraph 97 of Schedule 37 to the Education Act 1996.

(**d**) Under section 81(5) of the Local Government Act 2000, the Secretary of State may prescribe in regulations the circumstances in which standards committees may grant dispensations.

13. For 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(**a**), charity, or body directed to charitable purposes;

(d) body whose principal purposes include the influence of public opinion or policy; and

(e) trade union(**b**) or professional association.

16. A member must within 28 days of becoming aware of any change to the interests specified under paragraphs 14 and 15 above, provide written notification to the authority's monitoring officer of that change.

(**a**) *See* the Industrial and Provident Society Acts 1965 to 1978 for the requirements for registration of industrial and provident societies.

(**b**) See section 1 of the Trade Union and Labour Relations (Consolidation) Act 1992 c. 52 for the definition of a trade union.

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.

SCHEDULE 2

Article 3

THE MODEL CODE OF CONDUCT—AUTHORITIES NOT OPERATING EXECUTIVE ARRANGEMENTS

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(**a**), 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

(**a**) *See* section 49(6) of the Local Government Act 2000 for the definition of "relevant authority".

(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. A member must when reaching decisions have regard to any relevant advice provided to him by—

(a) the authority's chief finance officer acting in pursuance of his duties under section 114 of the Local Government Finance Act 1988(**a**) or an equivalent provision in any regulations made under section 6(6) of the Local Government and Housing Act 1989(**b**); and

(b) the authority's monitoring officer acting in pursuance of his duties under section 5(2) of the Local Government and Housing Act 1989(**c**).

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 if 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. 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.

Prejudical 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.

(**a**) 1988 c. 41. Section 114 was amended by section 130(1) to (4) of the Greater London Authority Act 1999; articles 1, 2(k) and 20 of S.I. 2001/2237 section 43 of and paragraph 34 of Schedule 4 to the Police and Magistrates' Courts Act 1994, section 88 of and paragraph 28 of Schedule 6 to the Police Act 1997; and sections 128(1) and 137 of, paragraphs 45 and 48 of Schedule 6 to and Part V of Schedule 7 to the Criminal Justice and Police Act 2001.

(**b**) 1989 c. 42. *See* The Common Council and New Successor Bodies (Chief Finance Officer) Regulations 1991 (S.I. 1991/445).

(**c**) Section 5 of the Local Government and Housing Act 1989 was amended by articles 1, 2 and 23 of S.I. 2001/2237, section 107 of and paragraphs 24 of Schedule 5 to the Local Government Act 2000; sections 43 and 93 of, paragraph 35 of Schedule 4 to and Schedule 9 to the Police and Magistrates' Court Act 1994; section 103 of and paragraph 1(2) of Schedule 7 to the Police Act 1996; sections 127(2) and 325 of and paragraph 62 of Schedule 27 to the Greater London Authority Act 1999; and section 120 of and Schedule 24 to the Environment Act 1995. Under section 73 of the Greater London Authority Act 1999, section 5 of the 1989 Act applies to the Greater London Authority as if it were a relevant authority for the purposes of that Act.

(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(**a**), 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(**b**) or section 18 of the Local Government and Housing Act 1989(**c**).

Participation in Relation to Disclosed Interests

11. 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(**d**) from the authority's standards committee; and

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

12. For the purposes of this Part, "meeting" means any meeting of—

(a) the authority; or

(b) any of the authority's committees, sub-committees, joint committees, joint sub-committees, or advisory committees.

PART 3

THE REGISTER OF MEMBERS' INTERESTS

Registration of Financial and Other Interests

13. 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;

(**a**) 1992 c. 4. Part XI has been amended.

(**b**) 1972 c. 70. Sections 173 to 176 were amended by section 194 of and paragraphs 26 and 27 of Schedule 11 to the Local Government and Housing Act 1989; section 7 of the Miscellaneous Financial Provisions Act 1983 c. 29; sections 25 and 194 of and Schedule 34 to the Local Government, Planning and Land Act 1980 c. 65; section 11(3) of and Schedule V to the Water Act 1983; section 328 of and paragraph 18 and 19 of Schedule 29 to the Greater London Authority Act 1999; section 84 of and paragraph 18 of Schedule 14 to the Local Government Act 1985 and section 237 of and Schedule 13 to the Education Reform Act 1988. Section 173A was inserted by section 24(2) of the Local Government, Planning and Land Act 1980.

(**c**) 1989 c. 42. Section 18 was amended by section 99 of the Local Government Act 2000; section 43 of and paragraph 37 to Schedule 4 of the Police and Magistrates' Court Act 1994 and section 582(1) of and paragraph 97 of Schedule 37 to the Education Act 1996.

(**d**) Under section 81(5) of the Local Government Act 2000, the Secretary of State may prescribe in regulations the circumstances in which standards committees may grant dispensations.

(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.

14. 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(**a**), charity, or body directed to charitable purposes;

(d) body whose principal purposes include the influence of public opinion or policy; and

(e) trade union(**b**) or professional association.

15. 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

16. 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.

(**a**) *See* the Industrial and Provident Society Acts 1965 to 1978 for the requirements for registration of industrial and provident societies.

(**b**) *See* section 1 of the Trade Union and Labour Relations (Consolidation) Act 1992 c. 52 for the definition of a trade union.

EXPLANATORY NOTE

(This note is not part of the Order)

The Order contains a model code of conduct as regards the conduct which is expected of members and co-opted members of relevant authorities in England. Under section 51 of the Local Government Act 2000, each relevant authority must adopt a code of conduct applying to its members which must incorporate any mandatory provisions of the model code. Under section 51(5) of that Act, where an authority does not adopt such a code within six months of the Order coming into force, the mandatory provisions of the model code will apply to the members of the authority until it does.

Article 1 provides that this Order applies only to the named authorities.

Article 2 provides that a model code for authorities operating executive arrangements is set out in Schedule 1 to the Order, and that all of its provisions are mandatory and **article 3** provides that a model code for authorities not operating executive arrangements is set out in Schedule 2 to the Order, and that all of its provisions are mandatory. Where an authority ceases to, or begins to operate executive arrangements, it must adopt the appropriate code or revise its existing code in accordance with the appropriate code.

Article 4 makes transitional provision for eight months following the coming into force of the Order to disapply existing statutory provisions relating to the National Code of Local Government Conduct, members' interests, surcharge and declarations of office.

Schedule 1 to the Order applies in relation to authorities operating executive arrangements.

Paragraph 1 of that model code provides that it applies whenever a member is acting in his official capacity, and that it does not apply in other circumstances unless otherwise indicated. Additionally, where a member is acting as a representative of his authority, he must continue to observe the authority's code, unless he is subject to another relevant authority's code, or unless (in relation to any other body) it conflicts with any other legal obligations.

Paragraph 2 provides that members must promote equality, treat others with respect and not do anything which compromises the impartiality of those who work for the authority.

Paragraph 3 provides that members must not without consent disclose confidential information they have acquired and must not prevent others from gaining access to information to which they are entitled.

Paragraph 4 provides that in a member's official capacity and in other circumstances, a member must not conduct himself in a manner which could bring his authority into disrepute.

Paragraph 5 provides that a member must not in his official capacity or in other circumstances use his position improperly to gain an advantage or confer a disadvantage and that when using or authorising the use of the authority's resources, he must act in accordance with the authority's requirements and must not permit those resources to be used for political purposes.

Paragraph 6 provides that a member must have regard to any relevant advice provided to him by the authority's chief finance officer which relates to the officer's report on unlawful expenditure or expenditure which exceeds resources, and to relevant advice provided by the authority's monitoring officer which relates to the officer's report on contraventions of law or maladministration. It also provides that in reaching executive decisions, a member must give reasons for the decision in accordance with the authority's and statutory requirements.

Paragraph 7 provides that a member must make a written allegation of misconduct to the Standards Board for England if he becomes aware of conduct by another member involving failure to comply with the authority's code of conduct.

Paragraph 8 provides that a member has a personal interest in a matter which has been registered, or where a decision upon a matter could reasonably be regarded as affecting the well-being or financial position of those persons described in the paragraph.

Paragraph 9 provides that a member with a personal interest in a matter must disclose that interest at any meeting at which the matter is considered, and where an executive decision is taken in relation to that matter, must ensure that the interest is recorded in any written statement of the decision.

Paragraph 10 provides that a member with a personal interest also has a prejudicial interest if the interest could be regarded by a member of the public as so significant that it is likely to prejudice his judgement of the public interest. The paragraph provides that in the circumstances specified a member may regard himself as not having a prejudicial interest.

Paragraph 11 provides that a personal and prejudicial interest arises for a member at a meeting of an overview and scrutiny committee where that committee considers a decision of another committee in which he was involved, unless he attends to give evidence about that decision.

Paragraph 12 provides that a member with a prejudicial interest must, unless he has obtained a dispensation, withdraw from any meetings at which the matter is being considered, and must not exercise executive functions or improperly influence decisions in relation to the matter. In the circumstances specified a member with a prejudicial interest may participate in meetings.

Paragraph 13 defines "meeting" for the purposes of Part 3.

Paragraph 14 provides that a member must notify the authority's monitoring officer of the financial interests specified in the paragraph and **paragraph 15** provides that he must notify the authority's monitoring officer of the other interests specified in the paragraph. Any change to those interests must also be notified under **paragraph 16**.

Paragraph 17 provides that a member must notify the authority's monitoring officer of any gift or hospitality he receives which may be over the value of £25.

The model code in **Schedule 2** to the Order makes similar provision for members of authorities not operating executive arrangements, with the omission of references to executive arrangements.

STATUTORY INSTRUMENTS

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