

*These notes refer to the Local Government Act 2000
(c.22) which received Royal Assent on 28 July 2000*

LOCAL GOVERNMENT ACT 2000

EXPLANATORY NOTES

INTRODUCTION

Part iii: Conduct of Local Government Members and Employees

Background

104. Until now, councillors have been required (by virtue of section 83 of the Local Government Act 1972) to declare at the time of accepting office that they will be guided by the National Code of Local Government Conduct—which was issued as a Joint Circular under section 31 of the Local Government and Housing Act 1989. The Code deals with the treatment of non-pecuniary interests.
105. A requirement on members to give notice of their pecuniary interests in the form of a register was introduced by regulations made under section 19 of the 1989 Act. The declaration of pecuniary interests at relevant meetings is a requirement under section 94 of the 1972 Act; section 97 of that Act enables dispensations to be granted to speak and/or vote at such meetings.
106. However, apart from the criminal offences under section 94(2) of the 1972 Act of failure to declare a pecuniary interest or non-registration of such an interest under section 19(2) of the 1989 Act, the only action that can be taken against an individual member for misconduct is under section 30(3A) of the Local Government Act 1974 which provides for the local government Ombudsman to be able to name a member or members where he finds that a breach of the code by an individual member constitutes maladministration.
107. The Third Report of the Committee on Standards in Public Life on Standards of Conduct in Local Government (the Nolan Committee) in July 1997 recommended that the existing National Code of Local Government Conduct should be replaced. The Nolan Committee also recommended that local authorities should be able to discipline individual councillors, subject to a right of appeal to an independent tribunal.
108. The Government response to the Nolan Committee's report was included in the consultation paper *Modernising Local Government: a new ethical framework*¹. The paper set out possible arrangements for introducing such a new framework, subject to consultation. It broadly agreed with the Nolan Committee conclusions but went further in its emphasis on external independent investigation and discipline.
109. A separate consultation paper, entitled *Modernising Local Government in Wales: a new ethical framework*², was published in Wales, setting out suggested arrangements for introducing a new framework tailored to Welsh requirements.

¹ Published April 1998, DETR.

² Published June 1998, Welsh Office.

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110. The White Paper *Modern Local Government: In Touch with the People*³ set out the Government's intention to legislate for a new ethical framework for local authorities. It signalled three principal components of the new framework:
- a requirement on every council to adopt a code of conduct, based on a national model, that all members would have to sign up to;
 - a requirement for all authorities to set up a standards committee to oversee ethical issues and provide advice and guidance on the code of conduct and its implementation;
 - the establishment of an independent body, the Standards Board, with responsibility for investigating alleged breaches of the council's code of conduct.
111. A separate White Paper, *Local Voices: Modernising Local Government in Wales*⁴, set out the intentions of the newly formed National Assembly for Wales (NAW) to implement a new ethical framework for Welsh authorities, broadly comparable to the English framework.
112. The Government papers *Local Leadership, Local Choice*⁵ in England and *A Stronger Voice for Local People*⁶ in Wales provided further details of the framework; proposals were included in the draft Local Government (Organisation and Standards) Bill which was submitted to the scrutiny of a Parliamentary Joint Committee of MPs and Peers in May 1999.

³ Cm 4014, July 1998.

⁴ Cm 4028, July 1998.

⁵ Cm 4298, March 1999.

⁶ Published April 1998, Welsh Office.