



# **Code of Conduct for Members**

The Scottish Legal Aid Board

[www.slab.org.uk](http://www.slab.org.uk)

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## Section 1: Introduction to the Code of Conduct

- 1.1. The Scottish public has a high expectation of those who serve on the boards of public bodies and the way in which they should conduct themselves in undertaking their duties. You must meet those expectations by ensuring that your conduct is above reproach.
- 1.2. The Ethical Standards in Public Life etc. (Scotland) Act 2000 “the Act” provides for Codes of Conduct for local authority councillors and members of relevant public bodies; imposes on councils and relevant public bodies a duty to help their members to comply with the relevant code; and establishes a Standards Commission for Scotland, “The Standards Commission”, to oversee the new framework and deal with alleged breaches of the codes.
- 1.3. The Act requires the Scottish Ministers to lay before Parliament a Code of Conduct for Councillors and a Model Code for Members of Devolved Public Bodies. This Model Code for members was first introduced in 2002 and has now been revised following consultation and the approval of the Scottish Parliament. These revisions will make it consistent with the relevant parts of the Code of Conduct for Councillors, which was revised in 2010 following the approval of the Scottish Parliament.
- 1.4. As a member of the Scottish Legal Aid Board, “the Board”, it is your responsibility to make sure that you are familiar with, and that your actions comply with, the provisions of this Code of Conduct which has now been made by the Board.

### Appointments to the boards of public bodies

- 1.5. Public bodies in Scotland are required to deliver effective services to meet the needs of an increasingly diverse population. In addition, the Scottish Government’s equality outcome on public appointments is to ensure that Ministerial appointments are more diverse than at present. In order to meet both of these aims, a board should ideally be drawn from varied backgrounds with a wide spectrum of characteristics, knowledge and experience. It is crucial to the success of public bodies that they attract the best people for the job and therefore it is essential that a board’s appointments process should encourage as many suitable people as possible to apply for positions and be free from unnecessary barriers. You should therefore be aware of the varied roles and functions of the public body on which you serve and of wider diversity and equality issues. You should also take steps to familiarise yourself with the appointment process that your board will have agreed with the Scottish Government’s Public Appointment Centre of Expertise.
- 1.6. You should also familiarise yourself with how the Board’s policy operates in relation to succession planning, which should ensure public bodies have a strategy to make sure they have the staff in place with the skills, knowledge and experience necessary to fulfil their role economically, efficiently and effectively.

### Guidance on the Code of Conduct

- 1.7. You must observe the rules of conduct contained in this Code. It is your personal responsibility to comply with these and review regularly, and at least annually, your personal circumstances with this in mind, particularly when your circumstances change. You must not at any time advocate or encourage any action contrary to the Code of Conduct.
- 1.8. The Code has been developed in line with the key principles listed in Section 2 and provides additional information on how the principles should be interpreted and applied in practice. The

Standards Commission may also issue guidance. No Code can provide for all circumstances and if you are uncertain about how the rules apply, you should seek advice from the Chief Executive. You may also choose to consult your own legal advisers and, on detailed financial and commercial matters, seek advice from other relevant professionals.

- 1.9. You should familiarise yourself with the Scottish Government publication, “[On Board – a guide for board members of public bodies in Scotland](#)”. This publication will provide you with information to help you in your role as a member of a public body in Scotland and can be viewed on the Scottish Government website.

## Enforcement

- 1.10. Part 2 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 sets out the provisions for dealing with alleged breaches of this Code of Conduct and the sanctions that shall be applied if the Standards Commission finds that there has been a breach of the Code. Those sanctions are outlined in [Annex A](#).

## Section 2: Key Principles of the Code of Conduct

- 2.1. The general principles upon which this Code is based should be used for guidance and interpretation only. These general principles are:

<b>Duty</b>	You have a duty to uphold the law and act in accordance with the law and the public trust placed in you. You have a duty to act in the interests of the Board of which you are a member and in accordance with the core functions and duties of the Board.
<b>Selflessness</b>	You have a duty to take decisions solely in terms of public interest. You must not act in order to gain financial or other material benefit for yourself, family or friends.
<b>Integrity</b>	You must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.
<b>Objectivity</b>	You must make decisions solely on merit and in a way that is consistent with the functions of the public body when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.
<b>Accountability and Stewardship</b>	You are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that the Board uses its resources prudently and in accordance with the law.
<b>Openness</b>	You have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest clearly demands.

<b>Honesty</b>	You have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising in a way that protects the public interest.
<b>Leadership</b>	You have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of the Board and its members in conducting public business.
<b>Respect</b>	You must respect fellow members of the Board and employees of the Board and the role they play, always treating them with courtesy. Similarly, you must respect members of the public when performing duties as a member of the Board.

- 2.2. You should apply the principles of this Code to your dealings with fellow members of the Board, its employees and other stakeholders. Similarly, you should also observe the principles of this Code in dealings with the public when performing duties as a member of the Board.

## Section 3: General conduct

- 3.1. The rules of good conduct in this section must be observed in all situations where you act as a member of a public body.

### Conduct at meetings

- 3.2. You must respect the chair, your colleagues and employees of the Board in meetings. You must comply with rulings from the chair in the conduct of the business of these meetings.

### Relationship with board members and employees of the board (including those employed by contractors providing services)

- 3.3. You will treat your fellow Board members and any staff employed by the body with courtesy and respect. It is expected that employees will show you the same consideration in return. It is good practice for employers to provide examples of what is unacceptable behaviour in their organisation. Public bodies should promote a safe, healthy and fair working environment for all. As a Board member you should be familiar with the policies of the Board in relation to bullying and harassment in the workplace and lead by exemplar behaviour.

### Remuneration, allowances and expenses

- 3.4. You must comply with the rules of the Board regarding remuneration, allowances and expenses.

### Gifts and hospitality

- 3.5. You must not accept any offer by way of gift or hospitality which could give rise to a real or substantive personal gain or a reasonable suspicion of influence on your part to show favour, or disadvantage, to any individual or organisation. You should also consider whether there may be any reasonable perception that any gift received by your spouse or cohabitee or by any company in which you have a controlling interest, or by a partnership of which you are a partner, can or would influence your judgement. The term "gift" includes benefits such as relief from indebtedness, loan concessions, or provision of services at a cost below that generally charged to members of the public.

- 3.6. You must never ask for gifts or hospitality.
- 3.7. You are personally responsible for all decisions connected with the offer or acceptance of gifts or hospitality offered to you and for avoiding the risk of damage to public confidence in the Board. As a general guide, it is usually appropriate to refuse offers, except:
  - a) isolated gifts of a trivial character, the value of which must not exceed £50
  - b) normal hospitality associated with your duties that would be reasonably regarded as appropriate
  - c) gifts received on behalf of the Board.
- 3.8. Subject to paragraph 3.7, you must record details of any gifts and hospitality received and the record must be made available for public inspection. If you decide that it is appropriate to do so and accept a gift or hospitality, you must advise the Board's Standards Officer of the nature of the gift or hospitality and from whom it was accepted. The Standards Officer will record the gift or hospitality in the Register of Board members' interests.
- 3.9. You must not accept any offer of a gift or hospitality from any individual or organisation which stands to gain or benefit from a decision your body may be involved in determining, or who is seeking to do business with your organisation, and which a person might reasonably consider could have a bearing on your judgement. If you are making a visit in your capacity as a member of the Board, as a general rule, you should ensure that your body pays for the costs of these visits.
- 3.10. You must not accept repeated hospitality or repeated gifts from the same source.
- 3.11. Members should familiarise themselves with the terms of the Bribery Act 2010 which provides for offences of bribing another person and offences relating to being bribed.

## **Confidentiality requirements**

- 3.12. There may be times when you will be required to treat discussions, documents or other information relating to the work of the body in a confidential manner. You will often receive information of a private nature which is not yet public, or which perhaps would not be intended to be public. You must always respect the confidential nature of such information and comply with the requirement to keep such information private.
- 3.13. It is unacceptable to disclose any information to which you have privileged access, for example derived from a confidential document, either orally or in writing. In the case of other documents and information, you are requested to exercise your judgement as to what should or should not be made available to outside bodies or individuals. In any event, such information should never be used for the purposes of personal or financial gain, or for political purposes or used in such a way as to bring the Board into disrepute.
- 3.14. (1) You are bound by the provisions of section 34 of the Legal Aid (Scotland) Act 1986 under which, subject to subsection (2) below no information furnished for the purposes of the Act to the Board or any person acting on its behalf (including a member of the Board) shall be disclosed:
  - a) in the case of such information furnished by, or by any person acting for, a person seeking or receiving legal aid or advice and assistance, without the consent of the person seeking or receiving legal aid or advice and assistance; or
  - b) in the case of such information furnished otherwise than as mentioned in paragraph (a) above, without the consent of the person who furnished it, and any person who, in contravention of this subsection, discloses any information obtained by him when

employed by, or acting on behalf of, the Board shall be guilty of an offence and liable, on summary conviction, to a fine not exceeding level 4 on the standard scale.

(2) Subsection (1) above shall not apply to the disclosure of information:

- a) for the purpose of the proper performance or facilitating the proper performance by the Secretary of State, the Board, any court or tribunal or by any other person or body of duties or functions under this Act;
- b) for the purpose of investigating, prosecuting or determining any complaint of professional misconduct
  - i. against a solicitor, by the Law Society or the Scottish Solicitors' Discipline Tribunal;
  - ii. against an advocate, by the Faculty of Advocates;
- c) for the purpose of investigating or prosecuting any offence or for the report of any proceedings in relation to such an offence.

(3) For the purposes of this section, information furnished to any person in his capacity as counsel or a solicitor by or on behalf of a person seeking or receiving legal aid or advice and assistance is not information furnished to the Board or to a person acting on its behalf.

### **Information taken outside organisation premises and/or remotely accessed**

3.15. The foregoing confidentiality requirements, including the provisions of section 34 of the Legal Aid (Scotland) Act 1986, will apply in respect of documents or other information relating to the work of the organisation accessed remotely by electronic means or otherwise taken out with the organisation's premises.

### **Information taken outside organisation premises**

- 3.16. It is your responsibility to ensure that, if you take documents or other information relating to the work of the organisation out with the organisation's premises, you carry, store and thereafter either destroy or return them safely.
- 3.17. When transporting such documents out with the organisation's premises, these must not be left unattended at any time. If you must use public transport when transporting such documents, you must ensure papers are kept out of sight of others.
- 3.18. If you are storing documents, it is your responsibility to ensure they are always stored in a secure place and will not be accessed by others. The documents should only be retained for such times as required and thereafter be destroyed immediately and securely. Documents should be shredded. Alternatively, members can return papers to staff in the Chief Executive's Office for secure destruction.

### **Information accessed remotely**

- 3.19. Members can access information relating to the work of the organisation out with the organisation's premises by way of the Citrix portal. When remotely accessing such information, you must always comply with the organisation's Computer Usage Policy. You must ensure that the information so accessed cannot be viewed, corrupted or copied by an unauthorised person.
- 3.20. You should lock your computer when leaving a room and log off completely when leaving the building you are working in. Information relating to the work of the organisation must not be saved onto personal devices. If you print such information remotely, these hard copies must be treated in the same manner detailed above for information taken outside the organisation.

- 3.21. Where possible, you should not include confidential information (for example, case related information being considered by the Legal Services Cases Committee), in emails sent through personal email portals such as, but not limited to, Hotmail. Confidential information shall be accessed or sent via the secure Citrix portal or slab.org.uk email addresses.

## **Use of public body facilities**

- 3.22. Members of public bodies must not misuse facilities, equipment, stationary, telephony, computer, information technology equipment and services, or use them for party political or campaigning activities. Use of such equipment and services must be in accordance with the Board's policy and rules on their usage.

## **Appointment to partner organisations**

- 3.23. You may be appointed, or nominated by the Board, as a member of another body or organisation. If so, you are bound by the rules of conduct of these organisations and should observe the rules of this Code in carrying out the duties of that body.
- 3.24. Members who become directors of companies as nominees of the Board will assume personal responsibilities under the Companies Acts. It is possible that conflicts of interest can arise for such members between the company and the Board. It is your responsibility to take advice on your responsibilities to the Board and to the company. This will include questions of declarations of interest.

## **Section 4: Registration of interests**

- 4.1. The following paragraphs set out the kinds of interests, financial and otherwise which you must register. These are called "Registerable Interests". You must always ensure that these interests are registered, when you are appointed and whenever your circumstances change in such a way as to require change or an addition to your entry in the Board's Register. It is your duty to ensure any changes in circumstances are reported within one month of them changing.
- 4.2. The Regulations<sup>1</sup> as amended describe the detail and timescale for registering interests. It is your personal responsibility to comply with these regulations, and you should review regularly and at least once a year your personal circumstances. You will be asked to confirm your Register entry on a quarterly basis and must do so, notifying the Standards Officer either that the entry remains the same or of any changes required. Annex B contains key definitions and explanatory notes to help you decide what is required when registering your interests under any particular category. The interests which require to be registered are those set out in the following paragraphs and relate to you. It is not necessary to register the interests of your spouse or cohabitee.

### **Category One: Remuneration**

- 4.3. You have a Registerable Interest where you receive remuneration by virtue of being:
- employed
  - self-employed
  - the holder of an office
  - a director of an undertaking

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<sup>1</sup> The Ethical Standards in Public Life etc. (Scotland) Act 2000 (Register of Interests) Regulations 2003 Number 135, as amended.



- a partner in a firm
  - undertaking a trade, profession or vocation, or any other work.
- 4.4. In relation to 4.3 above, the amount of remuneration does not require to be registered, and remuneration received as a member does not have to be registered.
  - 4.5. If a position is not remunerated it does not need to be registered under this category. However, unremunerated directorships may need to be registered under category two, “Related undertakings”.
  - 4.6. If you receive any allowances in relation to membership of any organisation, the fact that you receive such an allowance must be registered.
  - 4.7. When registering employment, you must give the name of the employer, the nature of its business, and the nature of the post held in the organisation.
  - 4.8. When registering self-employment, you must provide the name and give details of the nature of the business. When registering an interest in a partnership, you must give the name of the partnership and the nature of its business.
  - 4.9. Where you undertake a trade, profession or vocation, or any other work, the detail to be given is the nature of the work and its regularity. For example, if you write for a newspaper, you must give the name of the publication, and the frequency of articles for which you are paid.
  - 4.10. When registering a directorship, it is necessary to provide the registered name of the undertaking in which the directorship is held and the nature of its business.
  - 4.11. Registration of a pension is not required as this falls outside the scope of the category.

## **Category Two: Related undertakings**

- 4.12. You must register any directorships held which are themselves not remunerated but where the company (or other undertaking) in question is a subsidiary of, or a parent of, a company (or other undertaking) in which you hold a remunerated directorship.
- 4.13. You must register the name of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which you are a director and from which you receive remuneration.
- 4.14. The situations to which the above paragraphs apply are as follows:
  - you are a director of a board of an undertaking and receive remuneration declared under Category one; and
  - you are a director of a parent or subsidiary undertaking but do not receive remuneration in that capacity.

## **Category Three: Contracts**

- 4.15. You have a registerable interest where you (or a firm in which you are a partner, or an undertaking in which you are a director or in which you have shares of a value as described in paragraph 4.19 below) have made a contract with the Board:
  - (i) under which goods or services are to be provided, or works are to be executed; and
  - (ii) which has not been fully discharged.
- 4.16. You must register a description of the contract, including its duration, but excluding the consideration.

## **Category Four: Houses, land and buildings**

- 4.17. You have a registerable interest where you own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of the Board.
- 4.18. The test to be applied when considering appropriateness of registration is to ask whether a member of the public acting reasonably might consider any interests in houses, land and buildings could potentially affect your responsibilities to the Board and to the public, or could influence your actions, speeches or decision-making. If in doubt, you may consult with the Standards Commission.

## **Category Five: Interest in shares and securities**

- 4.19. You have a registerable interest where you have an interest in shares which constitute a holding in a company or organisation which may be significant to, of relevance to, or bear upon, the work and operation of (a) the Board and (b) the nominal value of the shares is:
- (i) greater than 1% of the issued share capital of the company or other body; or
  - (ii) greater than £25,000.

Where you are required to register the interest, you should provide the registered name of the company in which you hold shares; the amount or value of the shares does not have to be registered.

## **Category Six: Gifts and hospitality**

- 4.20. You must register the details of any gifts or hospitality received within your current term of office. This record will be available for public inspection. It is not however necessary to record any gifts or hospitality as described in paragraph 3.7 (a) to (c) of this Code.

## **Category Seven: Non-financial Interests**

- 4.21. You may also have a registerable interest if you have non-financial interests which may be significant to, of relevance to, or bear upon, the work and operation of the Board. It is important that relevant interests such as membership or holding office in other public bodies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described.
- 4.22. In the context of non-financial interests, the test to be applied when considering appropriateness of registration is to ask whether a member of the public might reasonably think that any non-financial interest could potentially affect your responsibilities to the Board and to the public, or could influence your actions, speeches or decision-making.

## **Section 5: Declaration of interests**

- 5.1. The key principles of the Code, especially those in relation to integrity, honesty and openness, are given further practical effect by the requirement for you to declare certain interests in proceedings of the Board. Together with the rules on registration of interests, this ensures transparency of your interests which might influence, or be thought to influence, your actions.
- 5.2. The Board inevitably has dealings with a wide variety of organisations and individuals, and this Code indicates the circumstances in which a business or personal interest must be declared. Public confidence in the Board and its members depends on it being clearly understood that decisions are taken in the public interest and not for any other reason.

- 5.3. In considering whether to make a declaration in any proceedings, you must consider not only whether you will be influenced but whether anybody else would think that you might be influenced by the interest. You must, however, always comply with the 'objective test' which is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a member of the Board.
- 5.4. If you feel that, in the context of the matter being considered, your involvement is neither capable of being viewed as more significant than that of an ordinary member of the public, nor likely to be perceived by the public as wrong, you may continue to attend the meeting and participate in both discussion and voting. The relevant interest must however be declared. It is your responsibility to judge whether an interest is sufficiently relevant to particular proceedings to require a declaration, and you are advised to err on the side of caution. If a Board member is unaware as to whether a conflict of interest exists, they should seek advice from the Board chair.
- 5.5. As a member of a public body, you might serve on other bodies. In relation to service on the boards and management committees of limited liability companies, public bodies, societies and other organisations, you must decide, in the circumstances surrounding any matter, whether to declare an interest. Only if you believe that, in the circumstances, the nature of the interest is so remote or without significance, should it not be declared. You must always remember the public interest points towards transparency and a possible divergence of interest between your public body and another body. Keep particularly in mind the advice in paragraph 3.17 of this Code about your legal responsibilities to any limited company of which you are a director.

## **Interests which require declaration**

- 5.6. Interests which require to be declared if known to you may be financial or non-financial. They may or may not cover interests which are registerable under the terms of this Code. Most of the interests to be declared will be your personal interests but, on occasion, you will have to consider whether the interests of other persons require you to make a declaration. The paragraphs which follow deal with (a) your financial interests (b) your non -financial interests and (c) the interests, financial and non-financial, of other persons.
- 5.7. You will also have other private and personal interests and may serve, or be associated with, bodies, societies and organisations because of your private and personal interests and not because of your role as a member of a public body. In the context of any particular matter, you will need to decide whether to declare an interest. You should declare an interest unless you believe that, in the circumstances, the interest is too remote or without significance. In reaching a view on whether the objective test applies to the interest, you should consider whether your interest (whether taking the form of association or the holding of office) would be seen by a member of the public acting reasonably in a different light because it is the interest of a person who is a member of a public body as opposed to the interest of an ordinary member of the public.

## **Your financial interests**

- 5.8. You must declare, if it is known to you, any financial interest (including any financial interest which is registerable under any of the categories prescribed in Section 4 of this Code). If under Section 4 of this Code, you have registered an interest:

- a) as a member of the Faculty of Advocates,
- b) as a member of the Law Society of Scotland, or
- c) as a person having experience of the procedure and practice of the courts,

and you have been appointed to the Board having regard to that interest, you do not, for that reason alone, need to declare that interest. There is no need to declare an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test. You must withdraw from the meeting room until discussion of the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

## **Your non-financial interests**

5.9. You must declare, if it is known to you, any non-financial interest if: is:

- (i) that interest has been registered under category seven (Non-Financial Interests) of Section 4 of this Code; or
- (ii) that interest would fall within the terms of the objective test.

There is no need to declare an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

You must withdraw from the meeting room until discussion of the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

## **The financial interests of other persons**

5.10. The Code requires only your financial interests to be registered. But you must also consider whether you should declare any financial interest of certain other persons. You must declare if it is known to you any financial interest of:

- (i) a spouse, a civil partner or a co-habitee
- (ii) a close relative, close friend or close associate
- (iii) an employer or a partner in a firm
- (iv) a body (or subsidiary or parent of a body) of which you are a remunerated member or director
- (v) a person from whom you have received a registerable gift or registerable hospitality
- (vi) a person from whom you have received registerable expenses.

There is no need to declare an interest if it is so remote or insignificant that it could not reasonably be taken to fall within the objective test. You must withdraw from the meeting room until discussion of and voting on the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

5.11. This Code does not attempt the task of defining “relative” or “friend” or “associate”. Not only is such a task fraught with difficulty but is also unlikely that such definitions would reflect the intention of this part of the Code. The key principle is the need for transparency about any interest which might (regardless of the precise description of relationship) be objectively regarded by a member of the public, acting reasonably, as potentially affecting your

responsibilities as a member of the Board and, as such, would be covered by the objective test.

## **The non-financial interests of other persons**

5.12. You must declare if it is known to you any financial interest of:

- (i) a spouse, a civil partner or a co-habitee;
- (ii) a close relative, close friend or close associate;
- (iii) an employer or a partner in a firm;
- (iv) a body (or subsidiary or parent of a body) of which you are a remunerated member or director;
- (v) a person from whom you have received a registerable gift or registerable hospitality;
- (vi) a person from whom you have received registerable expenses.

There is no need to declare an interest if it is so remote or insignificant that it could not reasonably be taken to fall within the objective test. There is only a need to withdraw from the meeting if the interest is clear and substantial.

## **Making a declaration**

- 5.13. You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether agendas for meetings raise any issue of declaration of interest. Your declaration of interest must be made as soon as practicable at a meeting where that interest arises. If you do identify the need for a declaration of interest only when a particular matter is being discussed, you must declare the interest as soon as you realise it is necessary.
- 5.14. The oral statement of declaration of interest should identify the item or items of business to which it relates. The statement should begin with the words “I declare an interest”. The statement must be sufficiently informative to enable those at the meeting to understand the nature of your interest, but you need not give a detailed description of the interest.

## **Frequent declarations of interest**

- 5.15. Public confidence in a public body is damaged by perception that decisions taken by that body are substantially influenced by factors other than the public interest. If you would have to declare interests frequently at meetings in respect of your role as a board member you should not accept a role or appointment with that attendant consequence. If members are frequently declaring interests at meetings, they should consider whether they can carry out their role effectively and discuss with their Chair. Similarly, if any appointment or nomination to another body would give rise to objective concern because of your existing personal involvement or affiliations, you should not accept the appointment or nomination.

## **Dispensations**

- 5.16. In some very limited circumstances dispensations can be granted by the Standards Commission in relation to the existence of financial and non-financial interests which would otherwise prohibit you from taking part and voting on matters coming before the Board and its committees.
- 5.17. Applications for dispensations will be considered by the Standards Commission and should be made as soon as possible to allow proper consideration of the application in advance of meetings where dispensation is sought.

You should not take part in the consideration of the matter in question until the application has been granted.

## **Section 6: Lobbying and access to members of public bodies**

- 6.1. For the Board to fulfil its commitment to being open and accessible, it needs to encourage participation by organisations and individuals in the decision-making process. Clearly however, the desire to involve the public and other interest groups in the decision-making process must take account of the need to ensure transparency and probity in the way in which the Board conducts its business.
- 6.2. You will need to be able to consider evidence and arguments advanced by a wide range of organisations and individuals to perform your duties effectively. Some of these organisations and individuals will make their views known directly to individual members. The rules in this Code set out how you should conduct yourself in your contacts with those who would seek to influence you. They are designed to encourage proper interaction between members of public bodies, those they represent and interest groups.

### **Rules and guidance**

- 6.3. You must not, in relation to contact with any person or organisation that lobbies, do anything which contravenes this Code or any other relevant rule of the Board or any statutory provision.
- 6.4. You must not, in relation to contact with any person or organisation who lobbies, act in any way which could bring discredit upon the Board.
- 6.5. The public must be assured that no person or organisation will gain better access to or treatment by you because of employing a company or individual to lobby on a fee basis on their behalf. You must not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which you accord any other person or organisation who lobbies or approaches you. Nor should those lobbying on a fee basis on behalf of clients be given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming from another member of the Board.
- 6.6. Before taking any action because of being lobbied, you should seek to satisfy yourself about the identity of the person or organisation that is lobbying and the motive for lobbying. You may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients, but it is important that you know the basis on which you are being lobbied to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code.
- 6.7. You should not accept any paid work:
  - (a) which would involve you lobbying on behalf of any person or organisation or any clients of a person or organisation; or
  - (b) to provide services as a strategist, adviser or consultant, for example, advising on how to influence the Board and its members.

This does not prohibit you from being remunerated for activity which may arise because of, or relate to, membership of the Board, such as journalism or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.

- 6.8. If you have concerns about the approach or methods used by any person or organisation in their contacts with you, you must seek the guidance of the Chief Executive.

## **Annex A – Sanctions available to the Standards Commission for breach of the Code**

- A. censure – the Commission may reprimand the member but otherwise take no action against them.
- B. suspension – of the member for a maximum period of one year from attending one or more, but not all, of the following:
  - a. all meetings of the Board;
  - b. all meetings of one or more committees or sub-committees of the Board;
  - c. all meetings of any other public body on which that member is a representative or nominee of the Board.
- C. suspension – for a period not exceeding one year, of the member’s entitlement to attend all the meetings referred to in (b) above.
- D. disqualification – removing the member from membership of the Board for a period of no more than five years.

Where a member has been suspended, the Standards Commission may direct that any remuneration or allowance received from membership of the Board be reduced or not paid.

Where the Standards Commission disqualifies a member of the Board, it may go on to impose the following further sanctions:

- A. where the member of a public body is also a councillor, the Standards Commission may disqualify that member (for a period of no more than 5 years) from being nominated for election as, or from being elected, a councillor. Disqualification of a councillor has the effect of disqualifying that member from the Board and terminating membership of any committee, sub-committee, joint committee, joint board or any other body on which that member sits as a representative of their local authority.
- B. direct that the member be removed from membership, and disqualified in respect of membership, of any other devolved public body (provided the members’ code applicable to the Board is then in force) and may disqualify that person from office as the Water Industry Commissioner.

In some cases, the Standards Commission do not have the legislative powers to deal with sanctions, for example if the respondent is an executive member of the board or appointed by the Queen.

Sections 23 and 24 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 refer.

Full details of the sanctions are set out in Section 19 of the Act.

## Annex B – Definitions

“Chair” includes Board Convener or any person discharging similar functions under alternative decision making structures.

“Code” – code of conduct for members of devolved public bodies.

“Remuneration” includes any salary, wage, share of profits, fee, expenses, other monetary benefit or benefit in kind. This would include, for example, the provision of a company car or travelling expenses by an employer.

“Undertaking” means:

- a) a body corporate or partnership; or
- b) an unincorporated association carrying on a trade or business, with or without a view to a profit.

“Related Undertaking” is a parent or subsidiary company of a principal undertaking of which you are also a director. You will receive remuneration for the principal undertaking though you will not receive remuneration as director of the related undertaking.

“Parent Undertaking” is an undertaking in relation to another undertaking, a subsidiary undertaking, if

- a) it holds a majority of the voting rights in the undertaking; or
- b) it is a member of the undertaking and has the right to appoint or remove most of its board of directors; or
- c) it has the right to exercise a dominant influence over the undertaking (i) by virtue of provisions contained in the undertaking’s memorandum or articles or (ii) by virtue of a control contract; or
- d) it is a councillor of the undertaking and controls alone, pursuant to an agreement with other shareholders or councillors, a majority of the voting rights in the undertaking.

“Group of companies” has the same meaning as “group” in section 262(1) of the Companies Act 1985. A “group”, within s262(1) of the Companies Act 1985, means a parent undertaking and its subsidiary undertakings.

“Public body” means a devolved public body listed in Schedule 3 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended.

“A person” means a single individual or legal person and includes a group of companies.

“Any person” includes individuals, incorporated and unincorporated bodies, trade unions, charities and voluntary organisations.

“Spouse” does not include a former spouse or a spouse who is living separately and apart from you.

“Cohabitee” includes a person, whether of the opposite sex or not, who is living with you in a relationship like that of husband and wife.