

PROPOSED CHANGES TO THE LORDS CODE OF CONDUCT

Existing wording	Proposed wording
<p>4. The Code applies to all members of the House of Lords who are eligible to sit in the House. Subject to the exceptions described in paragraph 5, it does not apply to:</p> <p>(a) former members;</p> <p>(b) members awaiting introduction;</p> <p>(c) members on leave of absence;</p> <p>(d) members suspended from the service of the House; or</p> <p>(e) members who are statutorily disqualified from sitting in the House.</p>	<p>4. The Code applies to all members of the House of Lords who are eligible to sit in the House. Subject to the exceptions described in paragraph 5, it does not apply to:</p> <p>(a) former members;</p> <p>(b) members awaiting introduction;</p> <p>(c) members on leave of absence;</p> <p>(dc) members suspended from the service of the House; or</p> <p>(de) members w ho are statutorily disqualified from sitting in the House.</p>
<p>19. Members are required to act always on their personal honour (paragraph 10 of the Code). The term “personal honour” has been explained by the Committee for Privileges: <i>“The term ‘personal honour’ has been used within the House for centuries to describe the guiding principles that govern the conduct of members; its meaning has never been defined, and has not needed definition, because it is inherent in the culture and conventions of the House. These change over time, and thus any definition of ‘personal honour’, while it might achieve temporary ‘legal certainty’, would quickly become out-moded ... the term ‘personal honour’ is ultimately an expression of the sense of the House as a whole as to the standards of conduct expected of individual members ... members cannot rely simply on their own personal sense of what is honourable. They are required to act in accordance with the standards expected by the House as a whole. ‘Personal honour’ is thus ... a matter for individual members, subject to the sense and culture of the House as a whole.”</i></p> <p>20. A member who expresses a clear willingness to breach the Code demonstrates a failure to act on their personal honour, and is thus in breach of paragraph 10 of the Code.</p>	<p>Members shall never undertake any action which would cause significant damage to the reputation and integrity of the House of Lords as a whole, or of its Members generally.</p> <p>19. Members are required to act always on their personal honour (paragraph 10 of the Code). The term “personal honour” has been explained by the Committee for Privileges: <i>“The term ‘personal honour’ has been used within the House for centuries to describe the guiding principles that govern the conduct of members; its meaning has never been defined, and has not needed definition, because it is inherent in the culture and conventions of the House. These change over time, and thus any definition of ‘personal honour’, while it might achieve temporary ‘legal certainty’, would quickly become out-moded ... the term ‘personal honour’ is ultimately an expression of the sense of the House as a whole as to the standards of conduct expected of individual members ... members cannot rely simply on their own personal sense of what is honourable. They are required to act in accordance with the standards expected by the House as a whole. ‘Personal honour’ is thus ... a matter for individual members, subject to the sense and culture of the House as a whole.”</i></p>

	<p>20. A member who expresses a clear willingness to breach the Code demonstrates a failure to act on their personal honour, and is thus in breach of paragraph 10 of the Code.</p>
<p>37. Members are required to submit a completed registration form to the Registrar of Lords' Interests within one month of taking their seat. Members returning from leave of absence are required to register their interests within one month of their return or, if they have not taken the oath in that Parliament, within one month of taking the oath.</p>	<p>37. Members are required to submit a completed registration form to the Registrar of Lords' Interests within one month of taking their seat. Members returning from leave of absence are required to register their interests within one month of their return or, if they have not taken the oath in that Parliament, within one month of taking the oath.</p>
<p>107. Members may have financial interests in organisations such as representative bodies, trade associations or organisations involved in parliamentary lobbying on behalf of clients (such as public relations and law firms). However, members are prohibited from offering parliamentary advice or services to clients, directly and indirectly.</p>	<p>107. Members may have financial interests in organisations such as representative bodies, and trade associations, or organisations involved in parliamentary lobbying on behalf of clients (such as public relations and law firms). However, members are prohibited from offering parliamentary advice or services to clients, directly and indirectly, and must take a leave of absence when holding registerable interests in organisations involved in parliamentary lobbying on behalf of clients (such as public relations firms).</p>
<p>54. While clients of companies for which members work or hold a directorship, and clients of members in professional practice, must be declared in relevant circumstances (see paragraph 80), they do not need to be registered except where:</p> <p>(a) the company is a personal service company;⁵ or</p> <p>(b) the member personally provides services to the client and the client is (i) a government of a foreign state (including departments and agencies), (ii) an organisation which may be thought by a reasonable member of the public to be foreign state-owned or controlled, or (iii) an individual with official status (whether executive, legislative or judicial) in a foreign state when acting in that capacity</p>	<p>54. While clients of companies for which members work or hold a directorship, and clients of members in professional practice, must be declared in relevant circumstances (see paragraph 80), they do not need to be registered except where:</p> <p>(a) the company is a personal service company.⁵ or</p> <p>(b) Members must take a leave of absence if they are personally providing the member personally provides services to the a client and the client is (i) a government of a foreign state (including departments and agencies), (ii) an organisation which may be thought by a reasonable member of the public to be foreign state-owned or controlled, or (iii) an individual with official status (whether executive, legislative or judicial) in a foreign state when acting in that capacity.</p>
<p>17. Members of the House must not: (a) seek by parliamentary means to confer an exclusive benefit on an outside organisation or person in which they have a financial interest (e.g.</p>	<p>17. Members of the House must not by parliamentary means: (a) seek by parliamentary means to confer, or engage in activity that would have the effect of conferring,</p>

<p>salary, shareholding); or (b) accept or agree to accept payment or other incentive or reward in return for providing parliamentary advice or services.</p>	<p>any financial or material exclusive benefit on an outside organisation or person in which they have a relevant financial interest (e.g. salary, shareholding); or (b) accept or agree to accept payment or other incentive or reward in return for providing parliamentary advice or services.</p>
<p>18. Subject to the exclusive benefit rule, members are not debarred from participating in proceedings in regard to which they possess relevant interests; but such interests must be declared clearly, and any conflict between the member’s personal interest and the public interest must be resolved at once in favour of the public interest</p>	<p>18. Subject to the exclusive financial or material benefit rule, members are not debarred from participating in proceedings in regard to which they possess relevant interests; but such interests must be declared clearly, and any conflict between the member’s personal interest and the public interest must be resolved at once in favour of the public interest</p>
<p>97. Paragraph 17(a) of the Code states that members “must not seek by parliamentary means to confer an exclusive benefit on an outside organisation or person in which they have a financial interest (e.g. salary, shareholding)”.</p>	<p>97. Paragraph 17(a) of the Code states that members “must not seek by parliamentary means seek to confer, an exclusive or engage in activity that would have the effect of conferring, any financial or material benefit on an outside organisation or person in which they have a relevant financial interest (e.g. salary, shareholding)”.</p>
<p>98. The ‘exclusive benefit’ rule means, for example, that a member who was paid by a pharmaceutical company would be barred from seeking to confer benefit exclusively on that company by parliamentary means. “Parliamentary means” in this context refers to parliamentary proceedings. All proceedings are included, for instance:</p> <ul style="list-style-type: none"> • tabling a motion or an amendment to legislation; • voting in a division; • speaking in debate; • asking a written or oral question; and • deliberation in a select committee or other body appointed by the House or one of its committees. 	<p>98. The ‘exclusive financial and material benefit’ rule means, for example, that a member who was paid by a pharmaceutical company would be barred from seeking to confer financial or material benefit exclusively on that company by parliamentary means. “Parliamentary means” in this context refers to parliamentary proceedings. All proceedings are included, for instance:</p> <ul style="list-style-type: none"> • tabling a motion or an amendment to legislation; • voting in a division; • speaking in debate; • asking a written or oral question; and • deliberation in a select committee or other body appointed by the House or one of its committees.
<p>99. The nature of the “exclusive benefit” is interpreted narrowly. The same member may</p>	<p>99. The nature of the “financial and material exclusive benefit” is interpreted narrowly. The</p>

<p>participate in proceedings on matters relevant to, for instance, the pharmaceutical sector as a whole; National Health Service spending on drugs; or Government policy on drug licensing and patents.</p>	<p>same member may participate in proceedings on matters relevant to, for instance, the pharmaceutical sector as a whole; National Health Service spending on drugs; or Government policy on drug licensing and patents.</p>
<p>101. A member who has a financial interest in a representative organisation (such as a trade association, trade union, staff association, professional body or issue-related lobby group) may not by parliamentary means confer an exclusive benefit on that organisation or the interest that it represents; nor by parliamentary means support a campaign exclusively for the benefit of the representative organisation or its membership (e.g. a campaign for special tax relief, or for a specific programme of development). The member may, however, by parliamentary means support a campaign that is of interest to the representative organisation, but which would also have benefits significantly beyond the sector which it represents, provided that they declare their interest.</p>	<p>101. Membership alone (i.e. without remuneration) of a trade association, staff association, professional body, charity or other similar representative organisation is not taken into account when applying the lobbying rules.</p> <p>A Member who is a member of a representative organisation may lobby by initiating or participating in parliamentary proceedings or approaches to Ministers, other Members or public officials in support of a policy position held by, or a campaign run by, that organisation, irrespective of any other relevant financial interest, provided any such interests are properly declared.</p> <p>Members who are remunerated advisers to representative organisations are subject to the lobbying rules in respect of such organisations as they would be in respect of other identifiable persons or organisations.</p> <p>A member who has a financial interest in a representative organisation (such as a trade association, trade union, staff association, professional body or issue-related lobby group) may not by parliamentary means confer an exclusive benefit on that organisation or the interest that it represents; nor by parliamentary means support a campaign exclusively for the benefit of the representative organisation or its membership (e.g. a campaign for special tax relief, or for a specific programme of development). The member may, however, by parliamentary means support a campaign that is of interest to the representative organisation,</p>

	<p>but which would also have benefits significantly beyond the sector which it represents, provided that they declare their interest.</p>
--	--