

ECPRD 6116: The offering of a financial advantage in exchange for resignation

UK Parliament, House of Lords

Questions

- 1) Is there any legislation or other form of regulation, such as a code of conduct, that prohibits:
 - a) a Member of Parliament from accepting a financial advantage on the condition that they resign their seat
 - b) the act of offering such a proposal, including by individuals from the member's own party
- 2) If so, what does the regulation entail, and how is it enforced?

Response

For context, please note the [overall size of the House of Lords is not fixed](#) and a member's resignation does not automatically mean another individual will be appointed in their place.

As is the case in the House of Commons, there is no explicit rule preventing the resignation of a seat for financial advantage. However, members must observe a [code of conduct](#) which states (pp 3–5):

- Members of the House should conduct themselves in a manner that maintains and strengthens public trust and confidence in the integrity of the House of Lords.
- Members of the House should observe the seven general principles of conduct identified by the Committee on Standards in Public Life:
 - (a) **Selflessness**: holders of public office should act solely in terms of the public interest.
 - (b) **Integrity**: holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
 - (c) **Objectivity**: holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
 - (d) **Accountability**: holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
 - (e) **Openness**: holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
 - (f) **Honesty**: holders of public office should be truthful.
 - (g) **Leadership**: holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

[...]

- Members of the House should act always on their personal honour. This means that they should observe the standards expected by the House as a whole of its members, obeying the spirit as well as the letter of this code of conduct: the expression of a clear willingness to breach the code is a breach of this rule.

[...]

- 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. salary, shareholding); or
 - (b) accept or agree to accept payment or other incentive or reward in return for providing parliamentary advice or services.

Facilities and services may be withdrawn from former members of the House under the code's enforcement provisions should investigations of breaches be upheld and sanctions agreed.

In addition, the House of Lords may also in theory punish contempts of Parliament although its powers are uncertain in the modern era. [The House's procedural guide explains:](#)

Disciplinary and penal powers

The House's disciplinary and penal powers are part of the control exercised by Parliament over its affairs. Conduct, whether of a member or non-member, which improperly interferes with the performance by either House of its functions, or the performance by members or staff of their duties, is a contempt of Parliament. Thus the House has the right to institute inquiries and require the attendance of witnesses and the production of documents, and wilful failure to attend committee proceedings or answer questions or produce documents could be judged to be a contempt.

The House of Lords has historically possessed the power to punish contempts by imprisonment, fine and reprimand. Although these powers have never been abolished, they have not been used since the nineteenth century, and there is doubt over whether the House's powers to punish non-members could in practice be used today.