

Standards Committee

07 March 2024

Agenda item number 9

Members' Register of Interests

Report by Monitoring Officer

Purpose

To inform Members of the importance of the Members' Register of Interests and the relevant rules on declaring interests.

Recommendation

To note the report.

1. Introduction

- 1.1. The [terms of reference for the Standards Committee](#) (the Committee) include, "(2) To review the Members' Register of Interests periodically and provide guidance and training as required".
- 1.2. It is therefore important that the Committee understands the purpose of the Register of Interests and its role in reviewing the Register and recommending any improvements.

2. Register of interests

- 2.1. The Authority is required by Sections 29 of the Localism Act (the Act) to maintain a Register of members' interests (the Register) and to publish it on its website.¹ Section 30 of the Act refers to specific disclosable pecuniary interests which are set out in regulations made under the Act. These interests must be recorded on the Register within 28 days of a member taking up office or within 28 days of the interest arising. The interest must also be declared at any meeting of the Authority where it is relevant to the business on the agenda.²

¹ <https://www.legislation.gov.uk/ukpga/2011/20/section/29/enacted>

² <https://www.legislation.gov.uk/ukpga/2011/20/section/30/enacted>

- 2.2. The list of Disclosable Pecuniary Interests is set out in The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012³ (the Regulations) and they are repeated on the Authority's Register.
- 2.3. The Authority also requires that other interests, in addition to those in the regulations, must also be registered and declared. These include any unpaid directorships; membership of public bodies to which a member is appointed by the Authority; membership of public or charitable body or a body which influences public opinion (including any political party or trade union). These interests are known as "Other Registrable Interests."

Why is it important?

- 2.4. The purpose of the register is to provide members with a method to publicly declare any private interests which may conflict or perceived to conflict with the Authority's public duties, particularly in respect of financial decisions.
- 2.5. The Register protects members by allowing them to be transparent and ensuring that there are no conflicts of interest. It upholds public confidence in the integrity of our decision making.
- 2.6. Section 34 of the Act states that it is a criminal offence if a member fails to inform the Monitoring Officer (MO) about a Disclosable Pecuniary Interest. It is also a criminal offence to provide false or misleading information deliberately or recklessly, or to participate in business that involves a disclosable pecuniary interest⁴.
- 2.7. If a member is found guilty of such a criminal offence, they could be fined up to £5,000 or disqualified from being a member from the authority for up to five years.

3. Declaring interests and participating in meetings

- 3.1. Members are required to declare interests within:
 - (a) 28 days of becoming a member; and
 - (b) 28 days of becoming aware of any new interest, or of any change to a registered interest.
- 3.2. Members are responsible for disclosing pecuniary interests and other registrable interests.
- 3.3. A list of the Disclosable Pecuniary Interests is set out on page 13 and a list of Other Registrable Interests is set out on page 15 of the Authority's [Code of Conduct](#).
- 3.4. The type of interest that a member has affects how they can participate in a meeting where that interest arises. A member who has a Disclosable Pecuniary Interest in an

³ https://www.legislation.gov.uk/ukxi/2012/1464/pdfs/ukxi_20121464_en.pdf

⁴ <https://www.legislation.gov.uk/ukpga/2011/20/section/34>

agenda item, must declare the interest and must not remain in the room, participate, or vote on the item.

3.5. A Member who has either an “Other Registrable Interest” or another financial interest arising in an item (even if it is not required to be registered), must declare the interest and their ability to participate depends on whether the agenda item directly relates to their interest or the agenda item only affects their interest.

3.6. It is possible for the MO to give a dispensation to a member or members to allow them to participate fully and vote in meetings even if they have an interest. Dispensations are allowed under Section 33 of the Act.⁵ The Authority has delegated the responsibility to the MO to grant dispensations. Section 33 of the Act states:

(1) A relevant authority may, on a written request made to the proper officer of the authority by a member or co-opted member of the authority, grant a dispensation relieving the member or co-opted member from either or both of the restrictions in section 31(4) in cases described in the dispensation.

(2) A relevant authority may grant a dispensation under this section only if, after having had regard to all relevant circumstances, the authority—

(a) considers that without the dispensation the number of persons prohibited by section 31(4) from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business,

(b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business,

(c) considers that granting the dispensation is in the interests of persons living in the authority's area,

(d) if it is an authority to which Part 1A of the Local Government Act 2000 applies and is operating executive arrangements, considers that without the dispensation each member of the authority's executive would be prohibited by section 31(4) from participating in any particular business to be transacted by the authority's executive, or

(e) considers that it is otherwise appropriate to grant a dispensation.

(3) A dispensation under this section must specify the period for which it has effect, and the period specified may not exceed four years.

3.7 Dispensations are quite rare and there must be compelling circumstances to justify them. However, for example, it is usual for the MO to give a dispensation to members

⁵ <https://www.legislation.gov.uk/ukpga/2011/20/section/33>

of the Navigation Committee who are also hire boat owners/operators, to fully participate in agenda items about setting tolls and other issues concerning navigation. This is because the Navigation Committee is a specific consultative committee which must comprise representatives of all users of the navigation area. It also makes recommendations to the Authority and does not make the final decision on matters such as setting tolls. It is therefore appropriate for all members to be able to fully participate and state their views. However, generally, when sitting on the Authority meeting to set tolls etc, hire boat owners/operators, are considered to have a Disclosable Pecuniary Interest and must therefore declare the interest, leave the room and not participate in the relevant agenda item.

- 3.8 The issue of interests, declarations and dispensations, is quite complex. It is important that the Committee has a good understanding of the rules, but members should not hesitate to refer to the Monitoring Officer at any time for further advice, and particularly before a meeting, if they think they might have an interest and would like clarification on how to manage it.

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Background papers: none