

**Report To:** Standards Committee

**Date of Meeting:** 22 May 2015

**Lead Officer:** Head of Legal, HR and Democratic Services

**Report Author:** Democratic Services Manager

**Title:** Declaration of Interests and Hospitality

---

**1. What is the report about?**

This report outlines procedures for members to complete a register of their interests and to declare interests in items of business at meetings they attend. It also covers the recording of hospitality and gifts offered to members and officers.

**2. What is the reason for making this report?**

The Council has been developing its processes over the past year and now proposes to report annually to the Standards Committee on how well they support levels of compliance in respect of mandatory declarations within Denbighshire.

**3. What are the Recommendations?**

That the Standards Committee:

- (a) discusses the processes and outcomes being achieved in respect of compliance with mandatory obligations for declaring interests and hospitality; and
- (b) agrees to annually review issues of declarations of interest, gifts and hospitality.

**4. Report details.**

4.1 Part 3 of the Members' Code of Conduct in the Council's Constitution requires members to consider whether they have personal interests in the business they undertake in their roles as members of the council. Part 4 of the Code deals with the registration of financial and other interests, and memberships and management positions held by members which should be declared.

4.2 The provisions outlined in the Code of Conduct comply with Part 3 of the Local Government Act 2000 with the Council supplying advice and procedures to support members to fulfil their obligations. Initially, a form to register interests is included in the induction packs for all members following a local government election, most recently in 2012 and for any subsequent by-elections. These signed registers are held in paper form and are available for inspection on request.

4.3 The election induction packs also contained a booklet detailing the requirements to declare personal and prejudicial interests in addition to the wider requirements of the Code of Conduct, supplemented by mandatory training for all members given by the Monitoring Officer on the implications of the Code of Conduct.

4.4 Section 58 of the Local Government (Democracy)(Wales) Act 2013 which came into force this month requires registers of members' interests to be published electronically for the first time. The Council has been transferring the registers onto the *Your Council* section of its public website which contains information about the elected members. In support of this transfer to the website all councillors were approached to update or confirm as correct the information originally supplied in their registers.

#### Interests Declared at Meetings

4.5 The profile given to supporting the declaration of interests at committee meetings has been significantly raised since the 2014 summer recess. Copies of the form supplied to assist members make a signed declaration were added to the standard *Declarations of Interest* item on each agenda and that form was subsequently amended to address a lack of clarity in some declarations as to the nature of the interest being declared (see appendix A). Furthermore, the distribution of printed copies of the forms to each member prior to every principal committee meeting has been introduced with unused copies being collected and re-used to avoid waste.

4.6 As well as being recorded in the minutes Denbighshire started adding the personal interests declared at meetings to the Council's website during the second half of 2014 and this is now standard practice.

4.7 Since the autumn of 2014 each meeting of full Council has begun with the Monitoring Officer reading a formal text on declaring interests whilst the legal officer in attendance at Planning Committee meetings offers the same advice. With all councillors being members of full Council and 30 of the 47 members sitting on the Planning Committee the message about the importance of making appropriate declarations is regularly being given and members have an opportunity to raise queries about their interests in the business before them with these senior officers. Written reminders on the Code of Conduct and how to comply with the requirements have been issued over the last 12 months in a number of formats (see Appendix B as an example).

#### Gifts and Hospitality

4.8 Members must avoid accepting from anyone gifts, hospitality (other than official hospitality, such as a civic reception or a working lunch duly authorised by the authority), material benefits or services for themselves or any person which might place them, or reasonably appear to place them, under an improper obligation. Gifts, hospitality or other benefits, etc, above the value of £25 are required to be registered with the Monitoring Officer.

4.9 Employees must also be aware that it is a criminal offence to corruptly give or receive gifts or any reward in their official capacity, in order to show favour or disfavour or to do or not do anything. The *Officers' Code of Conduct* states how offers of gifts and hospitality to officers should be dealt with.

4.10 The Head of Legal, HR and Democratic Services maintains a register recording the declaration of gifts and hospitality with information relating to the donor and recipient, a description of the gift or hospitality offered together with its value, the date and the reason for the offer. It is intended to standardise and publicise gifts and hospitality matters by issuing guidance with a proposed new standard form for use by members and officers (see Appendix C).

#### A Review by Internal Audit

4.11 Denbighshire's Internal Audit team undertook a review of the declaration of interest and hospitality processes in August 2014 as part of their work on the Council's Corporate Governance Assurance Framework.

4.12 Internal Audit concluded that they were satisfied that there are reasonably good controls in place for recording declarations of interests and receipt of gifts and hospitality. However, they found that processes could be more robust and efficient in the way the information is recorded and reviewed which would help to ensure that any omissions or errors made could be easily identified. As part of the review the Head of Legal, HR and Democratic Services had highlighted inconsistencies in the completion of declaration of interest forms which had resulted in the new guidance and procedures being introduced from the second half of last year.

#### **5. How does the decision contribute to the Corporate Priorities?**

No direct contribution but good governance arrangements are essential to the Council's performance with high standards of ethical behaviour and transparency being a key feature.

#### **6. What will it cost and how will it affect other services?**

There are no additional financial implications as a result of this report other than officer time in the Legal, HR and Democratic Services department spent maintaining the highlighted processes.

#### **7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.**

An equality impact assessment is not required on the subjects raised in this report.

#### **8. What consultations have been carried out with Scrutiny and others?**

The Standards Committee is being consulted following an agreement between the department and Internal Audit to raise the profile of declarations of interest and hospitality and ensure there are robust governance arrangements in place.

**9. Chief Finance Officer Statement**

A Chief Finance Officer Statement is not required for this report.

**10. What risks are there and is there anything we can do to reduce them?**

There is a risk that members of the Council may not fulfil their legal and Code of Conduct obligations unless the Council has effective controls in place.

**11. Power to make the Decision**

Part 3 of the Local Government Act 2000

Section 58 of the Local Government (Democracy)(Wales) Act 2013