

North East Derbyshire District Council

Standards Committee

18 October 2018

Review of the Constitution: Members Register of Interests

Report of the Joint Head of Corporate Governance and Monitoring Officer

This report is public

Purpose of the Report

- To invite the Committee to consider whether the Council's Code of Conduct ought to be amended to make it necessary for Members to declare any premises, hackney carriage, private hire or similar related licences which they hold from the Council or from other local authorities.

1 Report Details

- 1.1 The Council's current Code of Conduct requires Members to declare 'Disclosable Pecuniary Interests' (DPIs). These DPI's are set out in the legislation and Members are legally obliged to declare them.
- 1.2 Local authorities can also require their Members to declare any 'Other Interests' which they determine are appropriate. The Other Interests which the Council currently requires Members to declare are listed on the Register of Interest form. All Councillors are required to complete this and keep up to date. The form explains that Members are required to provide details of their membership or their occupation of a position of general control or management in any:
 - (a) Bodies which you have been appointed or nominated by the authority as its representative. *Example: Any outside organisation that you have been appointed to by the Council: e.g. Rykneld Homes Board, Chesterfield Canal Partnership;*
 - (b) Public authorities or bodies exercising functions of a public nature. *Example: Parish Council, School Governors.*
 - (c) Bodies directed to charitable purposes. *Example: Friends of the Earth, Ashgate Hospice.*
 - (d) Bodies one of whose principal purposes include the influence of public opinion or policy. *Example: Political Party, Trade Union.*

- 1.3 One interest which Members are not required to declare is whether they hold any premises, hackney carriage, private hire or similar related licences, granted to them either by the Council or by another other local authority. Because this information is not registered, we do not know how many elected Members or their spouses or partners have held these licences or will do so in the future.
- 1.4 There would be several advantages if this requirement was now included in the Code of Conduct.

FIRST – It would be prudent. Although the legislation is not specific on this, the fact remains that being granted a licence to sell alcohol or to drive a private hire or hackney carriage vehicle places duties on those who are granted them – in terms of how they should behave in their professional capacity. These duties sit alongside the duties in the ‘Code of Conduct’ setting out how individuals should behave in their capacity as elected Members. It is important that these different duties are understood fully to ensure that they do not lead to any potential conflicts of interest.

SECOND – It would be transparent. The Council and Councillors do have high standards of openness and transparency, but we also need to be consistently seen as open and transparent. Given the financial and other benefits that an individual and their families can potentially gain as a result of holding a licence, many people would probably expect their elected representatives to make this known in advance and might at the very least wonder why they had not. They might also wonder why the Council had not required this information to be made public.

THIRD – It would be line with the seven principles of public life identified by the Nolan Committee in the 1990’s and in particular, the principle of Integrity. This states that: “Holders of public office must avoid placing themselves under any obligation to people or organisations that might try to inappropriately 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.” By being clear that they hold licences, Members can prevent accusations that they have obligations that could impact on their role as an elected Member and which they have not made explicit to the wider public.

2 Conclusions and Reasons for Recommendation

- 2.1 It is good practice for the Council’s to review its Code of Conduct and especially, to review what Non-Pecuniary, or Other Interests Members are required to register with the Monitoring Officer. Making provision for Members to register licences issued to them or their spouse or partners by the Council or by other authorities would have benefits the reasons set out above.

3 Consultation and Equality Impact

- 3.1 NA

4 Alternative Options and Reasons for Rejection

- 4.1 No requirement could be introduced for Members to register any personal or other licences which they hold from the Council or other local authorities. However, this

would mean that a potentially important improvement to the Council's governance arrangements was not made.

- 4.2 The option of requiring Members who submit license applications to appear before a Licensing Sub-Committee as a way of ensuring transparency was considered, but found to be impractical. This is because the legislation states that if an application has been made lawfully and if no representations have been made that the licensing authority must grant the application. Where representations are received, the relevant policy will be followed and Licensing Sub-Committees would be convened as required.

5 Implications

N/A.

5.1 Finance and Risk Implications

- 5.1.1 N/A.

5.2 Legal Implications including Data Protection

- 5.2.1 N/A.

5.3 Human Resources Implications

- 5.3.1 N/A.

6 Recommendations

- 6.1 That as part of the review of the Constitution, Council be recommended to include in the Code of Conduct a requirement for Members to declare any premises, hackney carriage, private hire or similar related licences which they or their spouses hold from the Council or from other local authorities.
- 6.2 That the Council's Register of Interest Form for elected Members be revised accordingly.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	NA
District Wards Affected	NA
Links to Corporate Plan priorities or Policy Framework	NA

8 Document Information

Appendix No	Title	
1	Members Register of Interests Form	
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)		
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