

Standards Committee	
Meeting Date	16 January 2020
Report Title	Members' disclosure of gifts and hospitality
Cabinet Member	Cllr Roger Truelove – Council Leader
SMT Lead	David Clifford – Head of Policy, Communications and Customer Services (Monitoring Officer)
Head of Service	
Lead Officer	
Key Decision	No
Classification	Open
Recommendations	Standards committee is asked to recommend to full council the adoption of the wording at paragraph 3.1 of the report into the members' code of conduct.

1 Purpose of Report and Executive Summary

- 1.1 This report proposes an amendment to the code of conduct obliging members to disclose gifts and hospitality with a value of £100 or more received in their capacity as councillors. The report invites members to agree the wording to be recommended to full council for inclusion in the constitution.

2 Background

- 2.1 Recognising that gifts and hospitality are widely regarded in some sectors as a legitimate approach to furthering an organisation's commercial interests, many organisations in the public sector have policies either prohibiting the acceptance of gifts and hospitality and/or requiring the disclosure of any gift or hospitality which is accepted. Swale officers' code of conduct severely restricts the ability of officers to accept gifts or hospitality from third parties, and mandates the disclosure to the monitoring officer of anything which is accepted.
- 2.2 The purpose of requiring such transparency is to reduce the likelihood that interested parties in council decisions will attempt to distort, or succeed in distorting, legitimate decision-making processes. Given the high proportion of the council's most significant decisions which are taken by members, it is not unreasonable to expect that a similar requirement for transparency will apply to them.
- 2.3 Under the national code of conduct in operation until 2011, which was owned by the Standards Board for England, councillors were obliged to register any gift or

hospitality with a value of £25 or more¹. The Board and its code were both abolished by the Localism Act 2011, which required each council to adopt its own code of conduct. The 2011 Act included a set of statutory principles which had to be reflected in codes of conduct, as well as detailed regulations on disclosable pecuniary interests, but it was silent on the issue of gifts and hospitality.

- 2.4 Cabinet believes the requirement to register and disclose gifts and hospitality received by members when they are acting in that capacity should be reintroduced. This would bring Swale into line with other Kent councils, many of which operate a code of conduct originally developed by KCC which includes provisions on gifts and hospitality.
- 2.5 This will require an addition to the Swale code of conduct, which forms part of the council's constitution. As such, an initial report was taken to general purposes committee (GPC) in October, which resolved to support the proposals for further consideration by the standards committee (minute No. 326). If agreed by the standards committee, the revised wording will need to go to council for adoption.

3 Proposals

- 3.1 The following wording borrows heavily from that in the code of conduct in application across much of Kent. Standards committee is **recommended** to recommend to council that this wording is added into Swale's code of conduct:

As a member of Swale Borough Council I am required to register non-trivial gifts and hospitality received as a result of my being an elected representative.

- 1. I must, before the end of 28 days beginning with the day of receipt, notify the monitoring officer of any gift, benefit or hospitality with an estimated value of £100 or more which I receive and accept in the conduct of the business of the council or of the office to which I have been elected or appointed, or when I am acting as representative of the council. I must also register the source of the gift, benefit or hospitality.*
- 2. Where a series of gifts, benefits, hospitality or a combination of these received from a single source within one calendar year has a total cumulative value of £100 or more, these must be registered in the same way.*
- 3. Where any gift, benefit or hospitality I have received or accepted within the last three years relates to any matter scheduled for consideration or under consideration at a meeting, I must disclose the existence and nature of the gift, benefit or hospitality, the person or body who gave it to me and how the business under consideration relates to that person or body.*

¹ Taking account of inflation, £25 in 2010 is the equivalent of £32 today.

- 4. I must make this disclosure at the commencement of the meeting when invited to declare interests or as soon as the relevance of the gift, benefit or hospitality to the matter under consideration becomes apparent.*
 - 5. As with a disclosable non-pecuniary interest, a declaration of a relevant gift, benefit or hospitality will not preclude me from participating in the discussion of the matter or in any vote taken on the matter.*
 - 6. The duty to notify the monitoring officer does not apply where the gift, benefit or hospitality comes within any description approved by the council for this purpose. Light refreshments at meetings and meals which are incidental to training or other events for which the council has paid do not need to be disclosed.*
- 3.2 The amount of £100 is in line with the amount in the KCC and other Kent codes, but could be changed if members wish. The amount of £100 was also in the report which was considered and supported by GPC in October.
 - 3.3 There is an existing intranet 'SharePoint' site for officers to register interests, and if these proposals are approved, officers will look to create a similar way for members to record gifts and hospitality easily and efficiently online.
 - 3.4 Most town and parish councils in the borough have adopted Swale's code of conduct, although a small number use the Kent Association of Local Councils model. If the proposal to amend Swale's code is agreed, parishes will need to consider whether they also wish to adopt the new requirement on gifts and hospitality. If so, this will be a matter for their clerks to register, rather than the Swale monitoring officer.

4 Alternative Options

- 4.1 There is no legal requirement for members to be obliged to register or disclose gifts and hospitality received, and the standards committee could decide not to introduce an obligation to do so. Although Swale has not knowingly faced any issues in connection with members receiving inducements from third parties since the abolition of the disclosure requirement in 2011, given the pervasive public mood of distrust in political institutions at this time, any action to improve transparency and demonstrate probity is likely to be of benefit. The option to do nothing is therefore not recommended.
- 4.2 While the wording in paragraph 3.1 has been amended to reflect the style of the rest of Swale's code of conduct, it is largely based on the model in widespread use across Kent. A further alternative option would therefore be to develop some

more bespoke wording for Swale. However, the Kent model has been shown to work in other councils, and this option is therefore also not recommended at this time.

5 Consultation Undertaken or Proposed

- 5.1 As noted above, GPC considered a report on this issue in October, where it agreed to support proposals to introduce a requirement for members to register gifts and hospitality. Once the standards committee has agreed the wording to be included in the code of conduct, this will need to go to full council for adoption. As a relatively minor change to Swale's internal governance arrangements, there does not seem to be a valid reason to consult more widely.

6 Implications

Issue	Implications
Corporate Plan	The proposal in the report supports Swale's strategic need to ensure its governance arrangements are as robust and transparent as possible.
Financial, Resource and Property	The resource implications of the proposal are expected to be minimal. There will be a need to develop an online means for members to record gifts and hospitality received, which will be treated as a routine work request by the communications (website) and ICT teams.
Legal, Statutory and Procurement	As outlined in the body of the report, there is no legal requirement for councils to oblige their members to disclose gifts or hospitality received, but it is widely regarded as good practice.
Crime and Disorder	No implications identified at this stage.
Environment and Sustainability	No implications identified at this stage.
Health and Wellbeing	No implications identified at this stage.
Risk Management and Health and Safety	The proposal in the report is likely to be of some help with managing risks around probity and governance.
Equality and Diversity	No implications identified at this stage.
Privacy and Data Protection	It is not thought at this stage that any of the information to be disclosed will be personal data, but this will be kept under review.

	Notwithstanding this, the online system for registering and publishing gifts and hospitality will include a general privacy notice setting out the use to which information provided will be put.
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7 Appendices

7.1 There are no appendices.

8 Background Papers

8.1 The report which was considered by the general purposes committee in October is available [here](#).