

Meeting of:	<b>Standards Committee</b>
Date of Meeting:	<b>Thursday, 23 January 2020</b>
Relevant Scrutiny Committee:	No Relevant Scrutiny Committee
Report Title:	Local Authority's Register of Gifts and Hospitality
Purpose of Report:	To seek the Standards Committee's endorsement of an amendment to the Council's gifts and hospitality policy
Report Owner:	Ms. D. Marles, Monitoring Officer / Head of Legal and Democratic Services
Responsible Officer:	Mrs. K. Bowen, Principal Democratic and Scrutiny Services Officer
Elected Member and Officer Consultation:	This report does not involve any consultation with other parties
Policy Framework:	This is a matter for the Standards Committee and Full Council
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>Under the Local Government Act 2000 section 51 provides that the mandatory provisions in the (then) New Model Members Code of Conduct be adopted within six months of 1st April, 2008 by all County, County Borough and Town and Community Councils in Wales. In addition to this the Standards Committee also requested that the Council set a value for the registration of any gift, hospitality, material benefit or advantage in accordance with the Model Code of Conduct. The Vale of Glamorgan Council on 23rd April, 2008 (minute no. 1049 refers) resolved that the following values for the registration of any gift, hospitality, material benefit or advantage in accordance with paragraph 17 of the Code of Conduct be set to take effect from 5th May, 2008 - gifts £50 and hospitality £25.</li> <li>The Committee on Standards in Public Life Guidance to Local Government in England dated January 2019, recommended             <p>" Local Authorities should be required to establish a Register of Gifts and Hospitality, with Councillors required to record any gifts and hospitality received over a value of £50 or totalling £100 over a year from a single source. The requirement should be included in an updated Model Code of Conduct."</p> </li> </ul>	

- Having regard to the guidance of January 2019 the Standards Committee is therefore requested to consider an amendment to the Council's Gifts and Hospitality policy as follows : that the following values for the registration of any gift, hospitality, material benefit or advantage be:  
Gifts, material benefits or advantages - £50.00 or totalling £100.00 over a year from a single source;  
Hospitality £25.00 or totalling £100.00 over a year from a single source.  
That the Standards Committee recommend the amendment to Full Council and the same to Town and Community Councils within the Vale of Glamorgan.

## **Recommendations**

1. T H A T the Standards Committee consider and recommend to Full Council that the Vale of Glamorgan Council's thresholds for registering gifts, material benefits or advantages and hospitality be amended to read as follows:
  - Gifts, material benefits or advantages - £50.00 or totalling £100.00 over a year from a single source;
  - Hospitality - £25.00 or totalling £100.00 over a year from a single source.
2. T H A T all Town and Community Councils within the Vale of Glamorgan be recommended to adopt the same as outlined in Recommendation (1) above for the registration of gifts, hospitality, material benefit or advantage within their Councils.

## **Reasons for Recommendations**

1. To recommend to Full Council an amendment to the Council's Policy having regard to the Committee on Standards in Public Life recommendation in their guidance entitled "Local Government Ethical Standards: A Review by the Committee on Standards in Public Life" dated January 2019.
2. In order to ensure that Town and Community Councils are informed of the views of the Standards Committee and to raise the profile of standards in public life.

## **1. Background**

- 1.1 In line with Government legislation and guidance, the Vale of Glamorgan Council established the level that Councillors were required to register gifts and hospitality as a value of £50 for gifts and £25 for hospitality. This resolution being made on 23rd April, 2008 by Full Council in respect of Minute No. 1049.
- 1.2 Vale of Glamorgan Council Members, under paragraph 18.4.3 of the Council's Constitution which addresses registration of gifts and hospitality, must within 28 days of receiving any gifts, hospitality, material benefit or advantage above a value specified in a resolution of the Authority, provide written notification to the Authority's Monitoring Officer or in relation to a Community Council, to the Authority's Proper Officer of the existence and nature of that gift, hospitality, material benefit or advantage.
- 1.3 The Public Services Ombudsman for Wales' Guidance "The Code of Conduct for Members of Local Authorities in Wales" (August 2016 - Gifts and Hospitality) also advises at:

### **Paragraph 9(b)**

"It is important that you do not accept any gifts or hospitality for yourself, or on behalf of others, which would place you under obligation or appear to do so. Accepting such gifts or hospitality could be regarded as compromising your objectivity when you make decisions or carry out the work of your council. This is also true of any services or gifts in kind.

This does not prevent you from attending official events such as a civic reception or working lunch where these are authorised by your authority."

**Paragraph 17 -**

"You must register any gifts or hospitality worth more than the amount specified by your Authority that you receive in connection with your official duties as a Member and the source of the gift or hospitality.

You must register the gift or hospitality and its source within 28 days of receiving it. Like other interests in your Register of Interests, you may have a **personal interest** in a matter under consideration if it is likely to affect a person who gave you a gift or hospitality that is registered. If that is the case, you must declare the existence and nature of the gift or hospitality, the person who gave it to you, how the business under consideration relates to that person and then decide whether that interest is also a **prejudicial interest**. It is also good practice to provide a note of any offers of gifts which you have declined."

## **2. Key Issues for Consideration**

- 2.1** The Committee on Standards in Public Life in England, in their publication "The Local Government Ethical Standards: A Review by the Committee on Standards in Public Life" recommended at Recommendation (6) That Local Authorities be required to establish a Register of Gifts and Hospitality with Councillors required to record any gifts and hospitality received over a value of £50 or totalling £100 over a year from a single source.
- 2.2** Having regard to the above thresholds and having consulted with Monitoring Officers of other Local Authorities in Wales as to their current thresholds for registering gifts and hospitality, the Monitoring Officer / Head of Legal and Democratic Services' view is that the Vale Council's values of £50 for gifts and £25 for hospitality are appropriate but would recommend that the Council's Policy be amended to include the addition of the words "or totalling £100.00 over a year from a single source for both gifts and hospitality".
- 2.3** The Standards Committee is therefore requested to consider the amendment and recommend to Full Council that the Vale of Glamorgan Council's thresholds for registering gifts and hospitality be amended to read that the following values for the registration of any gift, hospitality, material benefit or advantage be:
  - Gifts - £50.00 or totalling £100.00 over a year from a single source;
  - Hospitality £25.00 or totalling £100.00 over a year from a single source.
- 2.4** For the Committee's information pages 47 and 48 of the Standards in Public Life publication January 2019 are attached at Appendix A.
- 2.5** The Standards Committee may also wish to consider recommending the same to all Town and Community Councils within the Vale of Glamorgan in order that similar arrangements may be adopted within their Councils.
- 2.6** A copy of the Registration of Hospitality and Gifts proforma used by the Vale Council is attached at Appendix B and a copy of the Vale Council's Policy if approved will also be shared with the Town and Community Councils in the Vale.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** One of the main roles of the Standards Committee is to promote and maintain high standards of conduct by Councillors, Co-opted Members and Church and Parent Governors and Members of Community Councils within its area.

### **4. Resources and Legal Considerations**

#### **Financial**

- 4.1** None as a direct result of this report.

#### **Employment**

- 4.2** None as a direct result of this report.

#### **Legal (Including Equalities)**

- 4.3** None as a direct result of this report.

### **5. Background Papers**

Local Government Ethical Standards: Review by the Committee on Standards in Public Life undertaken by the Committee on Standards in Public Life January 2019

Vale of Glamorgan Council's current Constitution



**Recommendation 5: The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 should be amended to include: unpaid directorships; trusteeships; management roles in a charity or a body of a public nature; and membership of any organisations that seek to influence opinion or public policy.**

### Gifts and hospitality

Currently, there is no legal requirement for local authorities to maintain a gifts and hospitality register, nor for individual councillors to register or declare gifts and hospitality they receive as part of their role.

Most codes sampled by the Committee required councillors to register gifts and hospitality in some way. Six out of twenty of the codes sampled had no provision for this. Among codes providing for a gifts and hospitality register, there was variation in the value threshold, which was variously set at £25, £50, or £100. Gifts and hospitality were also treated in a number of different ways: some codes established a straightforward register, some stated that gifts or hospitality were an 'other interest' which should be registered alongside non-pecuniary interests, and others defined the giver of a gift or hospitality over a certain value effectively as an 'associate' of the councillor, whose interest should be declared if a matter would affect them.

In London, we found £79,000 had been spent by more than 200 developers, lobbyists and others involved in the property industry on 723 lunches, dinners and all-expenses paid trips for 105 councillors.<sup>43</sup>

### Transparency International UK

The Committee has seen evidence that the accessibility and timeliness of local authorities' registers of interest varies widely. Many are reported in a non-standard format, and some registers are not updated for long periods. Independent oversight and inspection is important to maintaining high ethical standards, and local authorities should facilitate this by ensuring that their registers are accessible to those who would wish to inspect them.

We are also concerned about the use of high thresholds for reporting gifts and hospitality even where registers exist. An individual threshold of £100 could allow a councillor to accept significant gifts and hospitality from a single source on multiple occasions, without needing to register the fact that they have done so. £50 is the registration threshold for gifts or donations during election campaigns, which would then provide a consistent declaration threshold both during and outside election periods.<sup>44</sup>

**Recommendation 6: Local authorities should be required to establish a register of gifts and hospitality, with councillors required to record any gifts and hospitality received over a value of £50, or totalling £100 over a year from a single source. This requirement should be included in an updated model code of conduct.**

<sup>43</sup> Written evidence 315 (Transparency International UK)

<sup>44</sup> Available online at: [http://www.electoralcommission.org.uk/\\_\\_data/assets/pdf\\_file/0005/141773/ca-part-3-locals-ew.pdf](http://www.electoralcommission.org.uk/__data/assets/pdf_file/0005/141773/ca-part-3-locals-ew.pdf), 20



**Best practice 5: Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.**

We are aware of helpful guidance from the Cabinet Office for civil servants on the broader principles surrounding gifts and hospitality. They propose three principles that should guide whether an individual should accept gifts or hospitality:

**Cabinet Office principles for accepting gifts or hospitality**

- Purpose – acceptance should be in the interests of departments and should further government objectives.
- Proportionality – hospitality should not be over-frequent or over-generous. Accepting hospitality frequently from the same organisation may lead to an impression that the organisation is gaining influence. Similarly, hospitality should not seem lavish or disproportionate to the nature of the relationship with the provider.
- (Avoidance of) conflict of interest – officials should consider the provider's relationship with the department, whether it is bidding for work or grants or being investigated or criticised, and whether it is appropriate to accept an offer from a taxpayer-funded organisation.<sup>45</sup>

The principles of proportionality and avoiding conflicts of interest are particularly important to safeguard the principle of integrity.

The Committee has considered the issue of gifts and hospitality offered by lobbyists in particular, in its report *Strengthening transparency around lobbying*. We concluded that public officer holders accepting significant gifts and hospitality “[...] risks creating a conflict of interest by placing them under an obligation to a third party, which may affect them in their work including when they take decisions, which is relevant to the Nolan principle of integrity”.<sup>46</sup>

In February 2018, it was reported in the press that the chairman of Westminster City Council planning committee received gifts and hospitality 514 times in three years, worth at least at a total of £13,000. The councillor subsequently stood down following an internal inquiry.

The evidence we have received suggests that acceptance of gifts and hospitality is of most concern when it comes to planning. Planning is an area of decision-making where a small number of councillors can have a significant impact on the financial interests of specific individuals or firms. Councillors involved in planning decisions should therefore generally not accept over-frequent or over-generous hospitality and should always ensure that acceptance of such hospitality does not constitute a conflict of interest.

45 Cabinet Office (2010), *Guidance on civil servants receiving hospitality*. Available online at: <https://www.gov.uk/government/publications/guidance-on-civil-servants-receiving-hospitality>

46 Committee on Standards in Public Life (2013), *Strengthening transparency around lobbying*, 3.18

FOLIO NO: .....

DIRECTORATE: .....

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## HOSPITALITY AND GIFTS REGISTER

OFFICERS AND MEMBERS



Only one entry per page

<b>Date</b>	<b>Name (person/company) providing hospitality or gifs</b>	<b>Relationship (if any) with the person/company providing hospitality or gift</b>	<b>Description of hospitality or gifts provided, approximate monetary value (where applicable) and context in which provided</b>	<b>Name, Position and Signature of Recipient</b>	<b>Agreed by Chief Officer</b>
				Name: (please print)  Position:  Signature:	Name: (please print)  Position:  Signature: