

Change to Declaration of Interest Form for Councillors, Co-opted Members & Senior Officers

The Chartered Institute of Public Finance and Accountancy (CIPFA) Code requires all “related party transactions” to be disclosed in the Statement of Accounts. Any disclosure must include any transactions between Councillors and other entities (that are either controlled by Councillors or where Councillors have significant influence) with the council. These requirements also extend to Councillors’ close family members.

By way of example, you (or a close family member) may own a company or be a trustee of a charity, which contracts with or does business with the council. Similarly, you (or a close family member) may hold a senior position in a voluntary organisation, which has contracts with the council or receives funding from the Council. These are “related party transactions”.

The Members Code of Conduct (contained in the Council Constitution) includes reference to Councillors having a responsibility to register any interests **they** may have of this nature (commonly known as paragraph 10(2)(a) interests). However, whilst you regularly receive requests from the Head of Democratic Services to update your declarations of interests the Council’s auditors have identified that the Declaration of Interest forms which are completed by both Councillors, Co-opted Members and Senior Officers does not include any enquiries regarding the interests of close family members.

The auditors have therefore recommended that the Declaration of Interest form is updated to include a prompt to Councillors, Co-opted Members and Senior Officers to disclose any interests of close family members where required. The Register will then be used to identify any “related party transactions” for the purposes of the Statement of Accounts.

It is proposed that future Declaration of Interests Forms will include a reference to Councillors disclosing the nature of any entities which are owned / controlled by close family members and transact with the council. A footnote and box for declaring any such interests will be added as a prompt.

With a view to assisting examples of close family interests would include:

- Councillor D’s wife is a major shareholder in a company that contracts with the Council.
- Councillor X’s daughter holds a position of influence within a voluntary organisation that receives grants and provides services for the Council.
- Councillor Y’s partner provides consultancy services for the Council.

Tracey Meredith - Monitoring Officer

15.02.2021