

GMCA Standards Committee

Date: 17 December 2021
Subject: Declaration of Interests
Report of: Liz Treacy, Monitoring Officer, GMCA

Purpose of Report

To provide the GMCA Standards Committee with details of the current processes within the GMCA to publish declarations of interest in line with the requirements of the Localism Act 2011.

Recommendations:

The GMCA Standards Committee is requested to:

Comment on the current processes by which declarations of interest are received, noted and published as described in the report.

Contact Officers

Julie Connor, Assistant Director for Governance and Scrutiny
Nicola Ward, Senior Governance Officer

Background Papers

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution
Yes / No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

N/A

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction

The Localism Act ¹(2011) sets out the rules that all elected members must adhere to in order to ensure they are open and transparent about their personal interests. The new standards arrangements gave autonomy for authorities themselves to largely decide their own local rules. However, make it clear that Elected Members everywhere should be putting the public interest first and not benefiting their own financial affairs from being a Member.

These rules apply to anyone who is elected, co-opted or appointed to the Greater Manchester Combined Authority. Therefore, the GMCA is required to adopt a Code of Conduct and keep a register of members' interests.

Under the GMCA's Code of Conduct all members must act in conformity with the Seven Principles of Public Life. One of these is the principle of integrity – that 'Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to 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.'

It is a criminal offence if, without a reasonable excuse, an elected member fails to inform the Governance Team about a disclosable pecuniary interest, either for inclusion on the register if newly elected, co-opted or appointed member, or to update the register which relates to any matter being considered at a meeting at which they are present. If an elected member fails to declare their interests it is classed as a criminal offence, and they could be fined up to £5,000 and disqualified from holding office as an Elected Member for up to five years.

¹ <http://www.legislation.gov.uk/ukpga/2011/20/part/1/chapter/7/enacted>

2. Types of interest

1.1. Personal

The GMCA's Code of Conduct ²defines a personal interest as where any business of the GMCA relates to or is likely to affect:

- a. Any body of which you are in a position of general control or management and to which you are appointed or nominated by the GMCA;
- b. any body of which you are in a position of general control or management which
 - exercises functions of a public nature;
 - is directed to charitable purposes;
 - one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),
- c. the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £100.

It further defines that a personal interest in the business of the GMCA where a decision might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward(s), affected by the decision.

A relevant person includes:

- a member of your family or any person with whom you have a close association; or
- any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000;

1.2. Prejudicial

The GMCA's Code of Conduct determines that where an elected member has a personal interest in any business of the GMCA they also have a prejudicial interest in that business where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest and where that business:

- affects your financial position or the financial position of a person or body
- relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body

The GMCA's guide to members on declarations of interest defines further that a personal interest becomes a prejudicial interest:

1. Where the wellbeing, or financial position of you, your partner, members of your family, or people with whom you have a close association (people who are more than just an acquaintance) are likely to be affected by the business of the meeting more than it would affect most people in the area.

² [FinalConstitution2020formattedHyperlinksAdded.docx.pdf \(greatermanchester-ca.gov.uk\)](#) page 180

2. The interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.

1.3. Pecuniary

A person's pecuniary interests are their business interests (for example their employment, trade, profession, contracts, or any company with which they are associated) and wider financial interests they might have (for example trust funds, investments, and assets including land and property).

If a member is present at a meeting of your authority, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and they have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, they must not:

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

2. Current processes

2.1. Annual declaration

In line with the GMCA's Code of Conduct any member of the GMCA or its committees must complete an Annual Declaration of Interest within 28 days of their appointment. If they are made aware of any other interest following its publication, they are obligated to inform the Governance Team within 28 days in order for their Annual Declaration to be updated.

Annual Declarations are published on the GMCA website³ within the profile page for each elected member and updated on an annual basis, or as required.

Declarations are published without signatures, as there is no legal requirement to provide them and in order to comply with data protection advice. All members have been advised that, if they consider that the disclosure of the details of a DPI or personal interest could lead to violence or intimidation against them, or to a person connected with them, and the Monitoring Officer agrees, the details of the disclosable interest can be withheld from the public register under section 32(2) of the Localism Act 2011. The Committee on Standards in Public Life have recommended that the law is changed to clarify that a Member does not need to register their home address in their Register of Interests, but the Government's response on this is awaited.

2.2. Declaration at meetings

In advance of all statutory meetings, elected members receive a declaration of interest form within which they are required to declare any personal/prejudicial/pecuniary at least 48 hours in advance of the meeting, in doing so officers can seek advice on the required action needed in response to the disclosure this can include –

³ [Greater Manchester Councillors](#)

- Asking the elected member to update their annual declaration of interest if it is not already included
- Advising the elected member that they can remain in the room for the agenda item if their interest is just personal
- Advising the elected member to leave the room for the agenda item if their interest is pecuniary.

At the start of each statutory meeting there is also an opportunity for elected members to declare any interests they may have just been made aware of verbally, at this point they would be advised by the Governance Officer of the required action.

Each declaration made is kept on file and included within the minutes of the meeting for a public record.

The Monitoring Officer is of the view that Register of Interests requirements are understood by Members but will, as a matter of good practice, continue to issue specific guidance to all Members regarding declaration of interests at meetings.

More information can be found - [DCLG - A guide for Councillors on Openness and Transparency in relation to personal interests](#)