

TO: **STANDARDS COMMITTEE**
24 JUNE 2013

**CODE OF CONDUCT FOR MEMBERS
THRESHOLD FOR REGISTRATION OF GIFTS AND HOSPITALITY
Director of Corporate Services – Legal**

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek the view of the Committee as to whether the current threshold for the registration of gifts and hospitality (£25) should be revised (upwards or downwards) or confirmed at its existing level.

2 RECOMMENDATION

- 2.1 The Committee is requested to formulate its view as to the threshold which triggers the requirement for Members to register gifts or hospitality.**

3 REASONS FOR RECOMMENDATION

- 3.1 When the Committee considered the (then proposed) revised Code of Conduct for Members at its meeting on 14 January 2013 there was considerable debate as to what the threshold should be for the registration of gifts and hospitality. It was agreed that the issue be deferred for consideration at a subsequent meeting of the Committee.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5 SUPPORTING INFORMATION

- 5.1 The Code of Conduct for Members ("the Code") contains the following paragraph:-

"You should promptly register any gifts or hospitality the value of which exceeds £25 (or the reasonably estimated value of which exceeds £25 where the value is not disclosed) which you and/or your spouse/partner receive because (or when it can reasonably be inferred because) you are a Member of the Council".

The paragraph is in practically identical terms as a corresponding provision in the old statutory Code which first came into force in 2001.

- 5.2 When a first draft of a statutory code was first published for consultation in 2000/2001 a significant number of representations were made nationally that the threshold was too low. The prevailing view of the Council's Standards Committee at that time (including that of the then independent Chairman) was that £25 was too low a threshold. However, the Model Code issued by the government set the threshold at £25.

- 5.3 The Code of Conduct Working Group which in 2012 formulated the Council's replacement Code of Conduct proposed a threshold of £75. At the January 2013 meeting of the Committee there was a significant divergence of opinion with some Members of the Committee indicating support for the proposed £75 threshold with other Members indicating their view that a zero threshold (i.e. all gifts and hospitality irrespective of value) should be adopted. In the event the issue was deferred to allow an opportunity to consider the matter as a discrete issue.
- 5.4 The proposed revised Code was considered by the Governance and Audit Committee at its meeting on 29 January 2013. Again, there was a significant divergence of opinion as to the threshold but following debate that Committee agreed that the Standards Committee should have the opportunity to consider the issue further.
- 5.5 There are arguments in favour of both a zero and higher threshold (as indeed there are for maintaining the current threshold). The main advantages and disadvantages may perhaps be summarised as set out below:-

Zero Threshold

Advantages

- maximises sense of transparency.
- does not require Members to make any estimate of value of gift or hospitality.

Disadvantages

- could be excessively bureaucratic, imposing an unnecessary administrative burden upon Members and officers in an era of "austerity"
- placing a further administrative burden upon Members could discredit the carefully formulated new arrangements relating to Members in the eyes of Councillors
- would provide greater scope for trifling/vexatious complaints
- no reasonable person would consider that a gift or hospitality of minimal value would influence Member decision making

Higher Threshold

Advantages

- would not impose an unnecessary administrative burden
- a higher threshold would give greater credibility to the requirement to register gifts/hospitality than a lower figure
- would give a clear linkage to the fundamental purpose of requiring registration of gifts/hospitality i.e. inappropriate gifts/hospitality should not be accepted because of the risk of public perception that the decision making process was being influenced

Disadvantages

- ambiguity afforded by estimating value could provide scope for failure to adhere
- danger of multiple gifts/hospitality just below the threshold from the same source not being registrable (though revised drafting in a Code could address that issue by setting an annual limit from the same person or connected persons)

5.6 Subsequent to the January meeting the Borough Solicitor has enquired of other authorities as to their thresholds for registration of gifts/hospitality. The responses received locally were as follows:-

	£
• West Berkshire	25
• Wokingham	25
• Reading	20
• Slough	25
• All of the Bucks districts	50

Further afield, the following thresholds have been advised:-

• Cheshire West and Chester	25
• Hackney	25
• Wychavon (Worcestershire)	25
• Chichester	50
• North Kesteven (Lincolnshire)	50
• Selby	50
• South Lakeland	50

5.7 The current threshold for registration set out in the Employee Code of Conduct is £25. It is anticipated that should the Committee recommend a change in the threshold for Members it may well wish to make a recommendation as to a corresponding alteration to the Employee Code.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

6.2 There are no financial implications directly arising.

Equalities Impact Assessment

6.3 Not required.

Strategic Risk Management Issues

6.4 None.

Other Officers

6.5 None.

7. CONSULTATION

Principal Groups Consulted

7.1 Berkshire District Secretaries
ACSeS Southern Branch

Method of Consultation

7.2 Meetings.

Representations Received

7.3 As set out in Section 5.

Background Papers

None.

Contact for Further Information

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Aj/f/reports/Standards Committee – 27 June – Code of Conduct for Members