

Bolsover District Council

Standards Committee

15th June 2015

Case Update – Disclosable Pecuniary Interests under the Localism Act 2011

Report of the Assistant Director – Governance and Monitoring Officer

This report is public

Purpose of the Report

- To advise members of the first case of a member being found guilty of breaching the Disclosable Pecuniary Interest (DPI) provisions set out in the Localism Act.

1 Report Details

- 1.1 The Localism Act 2011 fundamentally overhauled the ethical standards framework that regulates local authorities. As part of that overhaul, a new interest regime was introduced whereby participation in a matter where a member had a DPI became a criminal offence.
- 1.2 DPIs are the financial interests of the member or their spouse relating to their:
- Employment, office, trade, profession or vocation carried on for profit or gain;
 - Sponsorship;
 - Contracts;
 - Land;
 - Licences;
 - Corporate tenancies;
 - Securities.
- 1.3 On 1 April 2015 local government press reported the first case of a member being convicted for participating and voting in a meeting where he had a DPI. The details of the case are that in February 2013 the member, who was also the Leader of Dorset County Council, participated and voted in a meeting about the East Dorset District Council's Core Strategy whilst also being a non-executive director of Synergy House, a charity that serves to provide housing for those in need. Although not paid a salary, he did receive remuneration of almost £30,000 from Synergy over the period 2010 to 2013. The interest in Synergy Housing was registered on his register of interests form.
- 1.4 The member argued that the issues under consideration were of a broader nature and did not concern detailed issues of planning and ownership. However, the purpose of the meeting was to consider consultation on the Core Strategy, to which Synergy had responded. A parcel of land owned by Synergy was also subject of consideration within the Core Strategy work.

- 1.5 The judge said that whilst the member's participation in the 25 February 2013 meeting could not on the evidence lead to any direct benefit to him, the 2011 Act made it clear he should not take part or vote at that meeting having declared his interest. The defendant had failed to satisfy the court that what he did amounted to a reasonable excuse.
- 1.6 The member was found guilty of breaching the DPI requirements of the Act and granted a six month conditional discharge and asked to pay costs of £930. Although the member stepped down from his position as Leader, he remains a member of Dorset CC and was re-elected (uncontested) at East Dorset DC in May 2015.
- 1.7 The case, which is believed to be the first of its kind, reaffirms the importance of obtaining advice from the Monitoring Officer before taking part in a meeting where an interest may be evident. The case also highlights that it is incumbent upon the member to take action where an interest may exist.

2 Conclusions and Reasons for Recommendation

- 2.1 To advise members of a recent case where a DPI has led to a member being convicted.

3 Consultation and Equality Impact

- 3.1 None.

4 Alternative Options and Reasons for Rejection

- 4.1 None.

5 Implications

None.

6 Recommendations

- 6.1 To note the report.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	
Links to Corporate Plan priorities or Policy Framework	

8 Document Information

Appendix No	Title
<p>Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)</p>	
N/A	
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