## **PRESS RELEASE**

## Push for greater town hall transparency on trade union interests

Department for Communities and Local Government

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Making local councils more transparent and accountable to local people

Government efficiency, transparency and accountability and Local government Minister: Brandon Lewis MP

New guidance published requiring councillors to register trade union membership.

Local Government Minister Brandon Lewis announced today (20 September 2013) new rules to increase town hall transparency by producing guidance requiring councillors to register trade union affiliations and dealings. This is intended to avoid conflicts of interest when councils consider issues directly affecting trade unions, such as reviews of taxpayer-funded subsidies given to trade unions.

Government <u>guidance on openness and transparency</u> of a councillor's personal interests has been revised to include specifically registering union memberships. In addition a council's own code of conduct, guided by the <u>7 principles of public life</u>, should now specify a requirement to register personal trade union interests.

Within 28 days of taking office councillors must register certain financial as well as non-financial interests required by their council's code of conduct, which should include any trade union membership.

Local Government Minister Brandon Lewis said:

For too long residents have been kept in the dark about what union affiliations their councillors hold. All councillors should disclose all their personal and financial interests on a public register, including registering union interests. Given the public debate about 'facility time' and 'pilgrims' in local government, it's vital that conflicts of interest are avoided. These transparency reforms will give local people the confidence that their councillors are putting residents' interests before their own.

The new guidance builds on existing transparency measures introduced as part of the Localism Act and is part of the new arrangements for local authority standards that replaced the bureaucratic and controversial Standards Board regime, abolished in 2012, which ministers believe had become a vehicle for malicious, petty and politically motivated complaints.

The Standards Board regime also raised concerns that it discouraged councillors from whistleblowing or criticising waste and inefficiency in local government, as it opened them up to complaints by local authority officers.

## **Further information**

- 1. The new rules requiring councillors to register interests came into force on 1 July 2012. New <u>guidance published today</u> updates councillors on what they should be registering to include trade union interests.
- The new, local, arrangements for local authority standards require local authorities to adopt a <u>code of conduct</u> based on 'Nolan principles', the involvement of an independent person in allegations of misconduct, a register of members' pecuniary interests, and a new criminal offence for failing to declare or register pecuniary interests.
- 3. The regulations set out the rules for disclosure and registration of pecuniary interests, which may limit a councillor's involvement with the business of the authority, where failure to comply with the rules without reasonable excuse is a criminal offence, punishable with a fine of up to £5,000 and disqualification from office for up to 5 years.
- 4. Pecuniary interests cover the member's 'employment, office, trade, profession or vocation', any 'sponsorship' of the member, including contributions towards their election expenses, any 'contracts' between the member and the authority, any 'land' the member has an interest in and lies within the area of the authority, any 'licences' the member holds to occupy land in the area, any 'corporate tenancies', and certain 'securities' the member may hold.
- 5. The new arrangements explicitly state any payment or financial benefit from a trade union must also be declared.
- 6. The new arrangements reflect the government's policy that elected representatives should continue to declare financial interests in an open and transparent way, to avoid conflicts of interest especially on issues such as planning applications or financially benefiting from the issuing of council contracts.
- 7. The council's code of conduct should also make provision for registering and declaring pecuniary and non-pecuniary interests that the council consider appropriate and are not covered by the national rules. The guidance issued today makes clear that trade union membership should be registered and declared.

## Media enquiries

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