



PROTOCOL REGARDING MEMBER PARTICIPATION IN THE CONSIDERATION OF GRANT AID APPLICATIONS FROM LOCAL ORGANISATIONS

1. Introduction

- 1.1 It is recognised that, from time to time, any Member who is active as part of the local community will become involved with local organisations. Indeed, the Modernisation Agenda encourages this ‘cross-membership’, not least because it can lead to more joined-up working to the benefit of councils, organisations and the community.
- 1.2 That involvement may range from a basic knowledge of the leading people in an organisation and its broad aims, to the Member being part of the management committee, perhaps occupying the position of chairman, secretary or treasurer.
- 1.3 Whatever the level of involvement, this Protocol aims to provide practical guidance to help Members determine the extent of their interest and the appropriate action to take in varying circumstances.

2. Code of Conduct

- 2.1 Firstly, reference should be made to the Members’ Code of Conduct General Obligations (as contained in Part 5 of the Constitution) and particularly those principles which refer to serving in the public interest, situations where honesty or integrity may be questioned, decisions to be made on merit and Members making decisions based upon the issues before them.
- 2.2 Secondly, Members should have regard to the Code of Conduct, particularly Parts 5-9 (personal and prejudicial interests) which aim to balance the need to prevent conflict between public duties and private interests, whilst not unnecessarily obstructing Members in their work.
- 2.3 Finally, Members should note that the obligations in Parts 2-3 of the Code relating to disclosable pecuniary interests only apply to “employment, office, trade, profession or vocation carried on *for profit or gain* for yourself or your partner.” Therefore, it would not usually apply to organisations with which you are involved on a voluntary or charitable basis. Members would however have a disclosable pecuniary interest if, for example, they were employed by a charitable organisation.

3. Practical Examples

- 3.1 Having regard to the Code, the following examples and suggested action cover some of the most likely situations in which Members will find themselves. The Protocol does not distinguish between whether or not the Member has been appointed to the body concerned as a Council representative, because the potential for conflict can arise in either case.
- 3.2 However, the revised Code of Conduct does distinguish between how certain types of personal interest are declared. If the organisation(s) involved is one directed for charitable purposes or influencing public opinion or policy then, with one exception,, a personal interest must always be declared at the meeting in respect of these bodies. The exception is if the Member were appointed to that body by the Council, or it is a body exercising public functions (e.g. a Parish Council or NHS Trust) and there is no prejudicial interest, the Member need only declare a personal interest if he/she proposes to speak on the matter.
- 3.3 The following examples are based upon those situations where a Member sits on a committee determining applications for grant aid submitted by specific organisations for a specific project. They do not relate to decisions on broad policy issues (eg establishing the Council's policy on its administrative process for grants applications) as in those cases all Members may participate fully, having declared a personal interest if appropriate.
- 3.4 The first example is where an application comes before a meeting from an organisation about which a Member has knowledge in a general sense and perhaps has even met representatives of that organisation in the past whilst on other Council business (but never discussed specific grant aid). Nor does the Member belong to that organisation in any capacity. In all those circumstances, there is no need for any declaration of interest or to limit participation in the decision making process.
- 3.5 If a Member belonged to the organisation purely in an 'ordinary' capacity or is an observer (eg was not an officeholder or otherwise active, and/or would not benefit more than many other local people through a grant) then it may be acceptable to participate fully in the decision. However, the test of what the reasonably informed member of the public may think must be applied. At the very least, declaring a personal (but not prejudicial) interest would be necessary if the Member wanted to speak and, in some circumstances it may be prudent to speak but not vote. If a Member was still uncertain and wished to avoid all doubt in the matter, then they should declare a personal and prejudicial interest and leave the meeting, subject to considering 3.6 below.
- 3.6 Where a Member is either an officeholder or otherwise clearly active in the organisation, then a personal and prejudicial interest exists and this should be declared. This applies whether or not they have been appointed to the organisation as the Council's representative. Provided the public has the

opportunity to make representations to the meeting, then the revised Code allows the Member to make a statement about the application, after which they must leave the meeting. However, as public participation relating to specific grant applications is currently not permitted, then this right cannot be exercised and the Member must leave the meeting without making any comment.

- 3.7 Where a Member does not sit on the committee but attends the meeting either as a Ward Member or an observer, similar considerations apply. A personal and prejudicial interest is not diluted by the fact that a Member does not sit on the committee that is hearing/determining the application – they should not be present in the meeting room in any capacity, except to make a statement should the public have the same right. Again, the point about being a Council appointed representative making no difference should be borne in mind.
- 3.8 Members who do not sit on Cabinet or the committee considering the grant application and who have either a personal interest or no interest whatsoever, may attend to observe. At the discretion of the Chairman, they may also address the meeting regarding a grant application, having first declared any personal interest they may have, but only if the Council's current policy on public participation on grant applications explained in para 3.6 above is changed in the future.
