



Bridgend County Borough Council Related Party Transactions Guidance Note

Requirement for Members to declare Related Party Transactions 2022-23

Background

1. The Council is required to provide information within its Statutory Annual Accounts of arrangements and/or transactions where Members (and senior officers) **or close members of their families** have a significant influence over organisations that the Council has a relationship with, be that the giving of grant funding, provision of services or an ability to manage the operations and/or financial activities of that organisation; OR that organisation is able to influence or control activities of the Council.
2. **A relationship** with an entity would occur where you or a close member of your family:
 - Has control or joint control over the organisation
 - Has significant influence over the organisation; or
 - Is a member of the key management personnel of the organisation or a parent of the organisation
3. **Close members of the family** of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with that organisation and include:
 - Your children and spouse or domestic partner
 - Children of your spouse or domestic partner
 - Dependents of you, your spouse or domestic partner
4. **The information disclosed** must be auditable and you must provide written confirmation of whether at any time during the period **1 April 2022 to 31 March 2023**:
 - You and/or a close family member **met any of the circumstances set out at paragraph 2 above; and/or**
 - You and/or a close family member had any financial transactions (excluding salary or work-based expenses paid by the Council) with the Council

Examples:

Examples of arrangements which may require disclosure include:

- You own a company or have a major shareholding* in a company;
- Any close members of your family who own a company or have a major shareholding in a company;
- You or a close member of your family is a member of the senior management of a company/organisation;
- You or a close member of your family hold a position of influence within an organisation;
- You or a close member of your family receive income from the Council that is not based on salary, allowances or expenses;
- You or a close member of the family are a member of the board of trustees of a local charity – either in a personal or professional capacity;
- You or a close member of the family may be an employee of an organisation that receives financial benefits from the Council.

ANY arrangements with a company you are a Director of or own must be disclosed even if there have been no financial transactions for that company during the year (either with or outside of Bridgend CBC)

*No specific limit has been given for what constitutes a major shareholding therefore any such roles must be declared.

What you need to do

ALL Members and Chief Officers (including all temporary arrangements in place during the year), are required to sign a declaration which discloses any related party relationships held and also identify any transactions that occurred during the financial year from **1st April 2022 to 31st March 2023**.



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**** If you are unsure it is better to disclose it and Finance will assess whether it needs to be included in the Statement of Accounts ****

Are there any exceptions?

Yes. Where transactions are common to all individuals, they need not be declared. For example, there is no need to declare payments of **council tax, rent or housing benefit**, which are transactions that would occur regardless of whether the individual was a related party to the authority.

This principle can be applied to cover any payment or benefit which arises under circumstances for which there is a statutory scheme for which the Council has established eligibility criteria e.g.

- Cost of living grant
- Winter fuel grants
- planning consents or
- concessionary bus passes

Any queries?

If you feel unable to complete the declaration or have any doubts about any aspect of what is required, please contact:

Eilish Thomas, Finance Manager, Financial Control and Closing Team, (Tel.no 01656 643359)

E-mail: eilish.thomas@bridgend.gov.uk