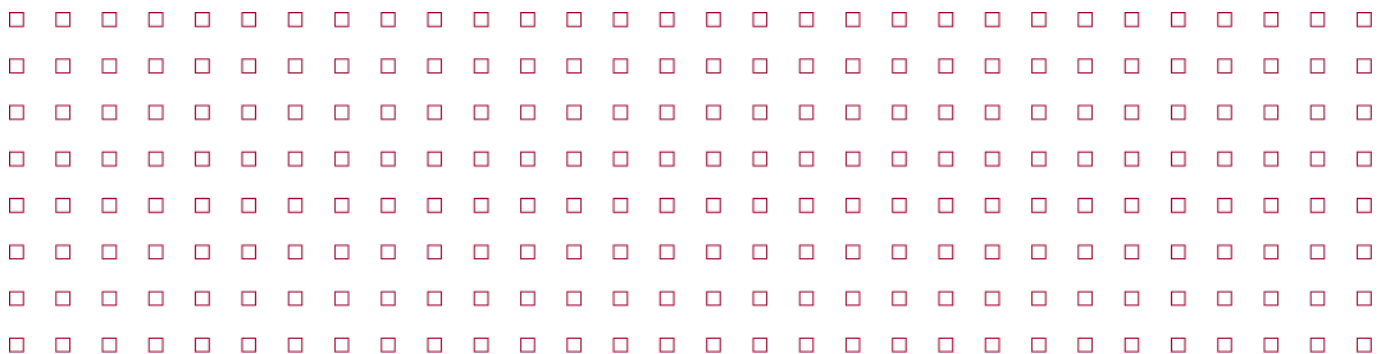




Declarations of Interests

Guidance for Parliamentary election candidates

March 2010





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Guidance for Parliamentary election candidates

- This guidance has been produced by the Ministry of Justice in response to a recommendation by the Committee on Standards in Public Life.
- The production of a Declaration of Interests by election candidates is voluntary.
- Candidates who do choose to issue a Declaration of Interests will want to consider how best to make this publicly available.

**This information is also available on the Ministry of Justice website:
www.justice.gov.uk**

Contents

1. Initial checklist	3
2. Introduction	4
3. Background – why this guidance has been produced	6
4. Fundamental principles	8
5. Categories of interests	10
6. Information which should not be provided in a Declaration of Interests	25
7. How and when Declarations of Interests can be published	26
8. Frequently asked questions	27
9. Model Declaration of Interests form	30

1. Initial checklist

Preparing a Declaration of Interests is not intended to be an onerous task. Before proceeding to read the detailed guidance for each category, candidates may first wish to consider the initial questions set out below. **Please note that this initial checklist is not intended to substitute for the full guidance which follows. Candidates with any concerns or questions should read the full guidance provided.**

Q1: Do you hold any paid jobs or other forms of paid employment?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

Q2: Do you hold any positions of responsibility in an organisation?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

Q3: Do you hold any paid or unpaid directorships?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

Q4: Do you provide services to any clients in the course of your paid employment or directorship(s)?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

Q5: Apart from property occupied by you and your family, do you own any other land or property?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

Q6: Do you hold any qualifying shareholdings?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

Q7: In the most recent full tax year (i.e. tax year 2008/09) have you claimed to be, or been treated as, not resident, not ordinarily resident or non-domiciled in the UK for tax purposes?

Yes No

If no, please refer to the detailed guidance in sections four and five.

Q8: Do you hold any other interests which you think should be publicly declared?

Yes No

If yes, please refer to the detailed guidance in sections four and five.

If you answered ‘no’ to questions 1-6 and 8 and ‘yes’ to question 7, you may wish to consider producing a shortened Declaration noting that, for each of the categories, you have no relevant interests to declare. For the tax matters section of your Declaration, you should then state: “I confirm that, for the tax year 2008/09, I have not claimed to be, or been treated as not resident, not ordinarily resident or non-domiciled in the UK for tax purposes.”

If you have answered ‘yes’ to any of questions 1-6 and 8 or ‘no’ to question 7, or you are unsure in any way what your answer is, you should read the detailed guidance provided in sections four and five.

2. Introduction

This guidance has been produced by the Ministry of Justice in response to a recommendation of the Committee on Standards in Public Life (CSPL) in its report on MPs' expenses and allowances published in November 2009. The Committee recommended that "all candidates at parliamentary elections should publish, at nomination, a register of interests including the existence of other paid jobs and whether they intend to continue to hold them, if elected". The Government and leaders of major political parties accepted that recommendation.

This document aims to provide detailed guidance to all those who are standing as a candidate at the forthcoming Parliamentary general election (whether as the incumbent or a challenger) and who might be considering publishing such a Declaration of Interests. The guidance offers a framework for such Declarations, setting out:

- the categories of interests that candidates might make a Declaration against;
- the form that such a Declaration might take; and
- the means by which such a declaration might be published.

This guidance is aimed at helping candidates to provide a Declaration against the following specific categories of interests:

- (a) The existence of other paid jobs
- (b) The holding of positions of responsibility in some types of organisation (voluntary or charitable organisations, trade unions, professional associations/societies, campaigning groups)
- (c) Relevant financial interests, reported against the following sub-categories –
 - (i) Directorships
 - (ii) Clients
 - (iii) Land and property
 - (iv) Shareholdings
- (d) Tax matters
- (e) Any other interests that the candidate considers relevant

These are each explained in more detail in section five.

This guidance makes recommendations as to the minimum details that candidates should seek to provide in any Declaration of Interests that they choose to produce. It is, of course, open to candidates to make public any further information if they consider that to be in the public interest.

Please note that this guidance is advisory only. Candidates who do intend to publish Declarations of Interests are encouraged to follow the advice and recommendations provided in this guidance when doing so. However, candidates are under no legal obligation to publish a Declaration of Interests, or to publish details of their interests in the form recommended in this guidance.

3. Background – why this guidance has been produced

The CSPL published its twelfth report, on MPs' Expenses and Allowances, on 4 November 2009. The Report considered measures to improve transparency of the outside employment and other interests of MPs. The Report also noted that:

“A general election or by-election is probably the time when most members of the public are interested in finding out more about the background of candidates. The Committee believes that there is a good case for all candidates at parliamentary elections, including sitting Members of Parliament, to be obliged to disclose explicit details of any other jobs they currently hold and whether they intend to retain some or all of them if they are elected”¹

However, the Report acknowledged the limited time to introduce a new legal requirement of this sort before the next general election. The Report therefore made the following recommendation:

“Recommendation 37

All candidates at parliamentary elections should publish, at nomination, a register of interests including the existence of other paid jobs and whether they intend to continue to hold them, if elected. The Ministry of Justice should issue guidance on this in time for the next general election. Following the election, consideration should be given as to whether the process should become a statutory part of the nominations process.”²

The CSPL's recommendation makes clear that candidates should publish details of other interests in addition to the existence of other paid employment. This guidance is issued to implement the CSPL's recommendation. In line with that, the guidance covers both employment and other interests.

The interests that this guidance suggests candidates should declare are, for the most part, based on those that sitting MPs are required to declare in the Register of Members' Financial Interests (RMFI) within a month of their election to Parliament. This guidance envisages that candidates should make a similar declaration, with appropriate modifications reflecting the fact that a number of the categories of interests that MPs provide a declaration against when elected are not relevant at the point of candidacy.

Following the RMFI in this way is in line with the views of the House of Commons Committee on Standards and Privileges. Its Second Report of Session 2009-10 stated:

¹ Ibid

² Ibid

“...this Committee considers that there may be an opportunity here to streamline the House’s registration process, in that if the requirements between the House’s Register and the register of candidates’ interests can be aligned the process of compiling the new Register following a General Election could be made more straightforward. We recommend that the Ministry of Justice takes steps to achieve this.”³

Many of the categories of interests that this guidance recommends candidate declarations should include are therefore very similar to those contained in the RMFI. However, there has recently been significant public, political and media interest in the tax status of politicians and candidates. All major political parties have therefore agreed that, for future Parliaments, all MPs should pay tax in the UK on the same basis as the vast majority of the UK population. In the light of this, although no such statutory requirement applies to candidates, this guidance contains advice for candidates on making a declaration of their tax affairs as part of their Declaration of Interests should they wish to do so. As with the other categories in this guidance, a candidate’s decision on whether to include this information in a Declaration of Interests does not affect their ability to stand as a candidate at the forthcoming general election.

Incumbent MPs standing for re-election may wish to ensure that their interests as recorded in the RMFI and in any candidate Declaration of Interests they publish are consistent and current.

³ House of Commons Committee on Standards and Privileges, Implementing the Twelfth Report from the Committee on Standards in Public Life, Second Report of Session 2009-10, 26 November 2009, HC 67, page 8.

4. Fundamental principles

Deciding whether to complete a Declaration of Interests

This guidance sets out the minimum recommended best practice for candidates who publish a Declaration of Interests before the election. Throughout the guidance the phrase “candidates should” is used. This is intended to indicate the way in which a model Declaration should look.

Making a Declaration of Interests is entirely voluntary. Equally, whether or not to follow the advice provided in this guidance as to the form and content of such a Declaration is a voluntary matter. However, although provision of a Declaration is a voluntary act, the Government hopes that, in line with the spirit of the CSPL Report, as many candidates as possible will do so and will complete Declarations in as full and transparent a manner as possible.

The purpose of a Declaration of Interests

As described above, this guidance envisages that candidates should seek to follow a number of the existing transparency requirements as they apply to sitting MPs, with appropriate modifications. Candidates should also provide a declaration of positions of responsibility that they hold in some types of organisation and of their tax status.

The purpose of the Declaration made by MPs, when elected, on the Register of Members’ Financial Interests is:

“to provide information of any financial interest or other material benefit which a Member receives which might reasonably be thought by others to influence his or her actions, speeches or votes in Parliament, or actions taken in his or her capacity as a Member of Parliament.”⁴

The purpose of a Candidate Declaration of Interests, as envisaged by the CSPL, is to enable the public to “[find] out more about the background of candidates”. The Declaration aims to improve transparency by providing voters with a useful and authoritative source of information on a candidate’s financial and other relevant interests. Whether a candidate decides to publish a Declaration of Interests, or not, does not in any way prevent an individual from standing as a candidate. Similarly, the content of a Declaration of Interests would not have a bearing on a candidate’s qualification to stand for election.

In compiling a Declaration and determining which information to include, candidates should make an honest assessment on the facts. If in doubt, candidates may wish to seek advice from their party, if they have one.

⁴ Select Committee on Members’ Interests, First Report, Session 1991-92, “Registration and Declaration of Financial Interests”, HC 236, paragraph 27.

However, ultimately any Declaration is the personal responsibility of the candidate alone. If unsure whether or not a particular interest should be disclosed, candidates should consider whether it is in the public interest to reveal such information. MPs are required to act in the public interest and, as aspiring MPs, candidates should aim to do so as well.

What time period should a Declaration of Interests cover?

For most categories, candidates should declare such interests as they hold at the time at which they make their Declaration and any further interests that they held before that point but which they consider it would be in the public interest to declare. Where candidates do provide details of interests held prior to the point at which they publish their Declaration, it is considered that **22 March 2010** – that is, the date on which this guidance was published – is a suitable point in time from which details should be provided. So, for example, in completing their Declaration candidates should provide details of any paid employment they hold at the time the Declaration is made and also any other relevant paid employment that they have undertaken before that point and on or after **22 March 2010**.

In the case of the tax affairs declaration, however, candidates should provide information relating to the most recent full tax year (i.e. tax year 2008/09). Candidates may also wish to make a broader-ranging declaration for other years and their intention for the current tax year, to the extent to which it is known. The recommended period for which information relating to tax affairs should be provided differs because tax status can only change from year to year, and an individual may make differing claims from year to year.

Wherever possible, candidates should provide an indication of how they intend to proceed in relation to each category of interest, if they are elected. This includes both whether they intend to continue with their existing interests against each category, and whether, at the point of making the Declaration, they intend to take on any additional or further interests. It also includes circumstances where there is an agreement or other form of commitment in place at the time of the Declaration to take on additional or further interests after that time.

5. Categories of interests

It is recommended that candidates should disclose any relevant information against each of the following categories in a candidate declaration of Interests. Where there is no information to disclose (for example, where candidates do not hold any other remunerated employment), a nil return should be indicated.

Category (a): The existence of other paid jobs and whether candidates intend to continue to hold them, if elected.

Candidates should declare all current paid employment and any other sources of remuneration at the point at which a candidate publishes their declaration, and any remunerated employment on or after 22 March 2010. In this category, and in others, “remuneration” includes not only salaries and fees, but also any taxable expenses, allowances or benefits in kind (e.g. the provision of a company car or laptop). Candidates may have more than one job or source of remuneration.

MPs face a similar requirement to declare details of paid employment beyond their work as an MP. Under the RMFI, MPs are required to declare:

- The precise amount of each individual payment made (e.g. the annual, monthly or weekly salary);
- The nature of the work carried on in return for that payment;
- The number of hours worked for which that payment relates;
- The name and address of the person, organisation or company making that payment (except where the disclosure of this information would be contrary to any legal or established professional duty of privacy or confidentiality).

It is not recommended that candidates provide details of the precise amount of each individual payment received or the hours worked in return for that payment. Candidates should declare the existence of paid employment, the nature of that employment, and the name and address of the employer (subject to any legal or established professional duty of confidentiality). Candidates should also declare:

- Whether the candidate intends to continue with this employment if elected; and
- Whether the candidate intends to take on any additional remunerated employment, if elected.

Candidates should declare remunerated self-employment or partnerships under this category, including consultancy work. If self-employed, candidates should state this in their Declaration against this category, and consider which of their clients, if any, should be declared against category (c)(ii) below.

Candidates who are self-employed do not need to state the address of their employer.

Where a candidate receives an income as a result of a directorship, the directorship should be declared separately under category (b) or (c)(i) below, as appropriate.

For the sake of clarity, MPs standing for re-election might wish to indicate that they were employed as an MP (and any other Parliamentary and Ministerial duties, if appropriate) until the point of dissolution.

Example 1: David has a full time job as an administrator for a marketing firm, where he has worked since 1997. In addition, he writes one article per week for a local newspaper. He has been writing for the newspaper since November 2003. If elected, David would relinquish his job at the marketing firm. However, he intends to continue to write one article per week for his local newspaper. He does not intend to take on any additional paid employment. In his Declaration, David would provide the following information against this category:

“Category (a) – The existence of other paid jobs and whether candidates intend to continue to hold them, if elected

- (1) Full-time employment at Tyke Marketing, 6 Industrial Place, Snaresborough, SB1 3XX. If elected, I do not intend to continue to hold this post.
- (2) Fees for articles in “The Snaresborough Echo”, 17 Church Street, Snaresborough, SB1 4TW. If elected, I intend to continue with this employment.

If elected, I do not intend to take on any further additional employment beyond my work as an MP.”

Example 2: Helen has worked as a self-employed plumber from June 2002 onwards. Prior to this, she was unemployed. If elected, she would no longer work as a plumber. She does not intend to take on any additional paid employment. In her Declaration, Helen would provide the following information against this category:

“Category (a) – The existence of other paid jobs and whether candidates intend to continue to hold them, if elected

Self-employed plumber, ongoing. If elected, I do not intend to continue with this work. I do not intend to take on any additional employment beyond my work as an MP, if elected.”

Category (b): The existence of positions of responsibility in some types of organisation, even if unpaid, and whether they intend to continue to hold them, if elected.

The CSPL's report recommended that in future MPs should be required to make a declaration in the RMFI as to whether they held positions of responsibility in voluntary or charitable organisations, on the grounds that MPs should register significant unpaid interests which could cause a conflict of interest, a clash of priorities or take a substantial amount of time.

In line with the purpose of a Declaration of Interests, candidates should therefore declare details of any positions of responsibility held in voluntary or charitable organisations at the point at which a candidate publishes their Declaration, and any such positions held on or after 22 March 2010. In addition, in the interests of transparency, candidates should declare positions of responsibility in a trade union, professional association/society or campaigning group on the same basis. Candidates should declare details of any unremunerated directorships in such organisations against this category.

For each position held, candidates should declare:

- The nature of the position held in the organisation;
- The name and address of the organisation (except where the disclosure of this information would be contrary to any legal or established professional duty of privacy or confidentiality);
- Whether the candidate intends to continue with this activity if elected; and
- Whether the candidate intends to take on any such additional positions of responsibility, if elected.

A position is a "position of responsibility" if it confers duties, obligations or associated rights on an individual to make decisions or commitments on behalf of the organisation in question. Holding a position on the board, executive or management committee of such an organisation would be likely to be a position of responsibility.

Example 1: Frances volunteers in her spare time as treasurer of The Friends of Snaresborough Common. The work is unpaid. She has held this post since May 2004. She also sits as an unremunerated director on the board of the Snaresborough Hospice Trust, a position she has held since March 2008. If elected, she would relinquish her directorship on the board of the Trust. She would also reduce the amount of time she devotes to The Friends of Snaresborough Common. She does not intend to take on any additional positions of responsibility of this type if elected. In her Declaration, Frances would provide the following information against this category:

“Category (b) – The existence of positions of responsibility in some types of organisation, even if unpaid, together with an indication of the amount of time spent on them, and whether they intend to continue to hold them, if elected

- (1) Treasurer, The Friends of Snaresborough Common. Contact address: 73 Park Road, Snaresborough, SB3 7EJ. If elected, I would reduce my work for this organisation.
- (2) Director, Snaresborough Hospice Trust. Contact address: 34 Main Road, Snaresborough, SB1 2AN. If elected, I intend to leave this position.

I do not intend to take on any additional positions of responsibility of this type, if elected.”

Example 2: Vijay has been the Branch Secretary for the Snaresborough branch of the ABC trade union since August 2003. If elected, he would resign this post, and would not intend to take on any additional positions of responsibility of this type. In his Declaration, Vijay would provide the following information against this category:

“Category (b) – The existence of positions of responsibility in some types of organisation, even if unpaid, together with an indication of the amount of time spent on them, and whether they intend to continue to hold them, if elected

Branch Secretary, ABC Union, Snaresborough Branch. I intend to relinquish that position if elected. I do not intend to take on any additional positions of responsibility of this type, if elected.”

Example 3: Andrew has been the chair of the Snaresborough and District Engineering Forum since September 2001. If elected, he intends to give up his post as Chair, and would not intend to take on any additional positions of responsibility of this type. In his Declaration, Andrew writes:

“Category (b) – The existence of positions of responsibility in some types of organisation, even if unpaid, together with an indication of the amount of time spent on them, and whether they intend to continue to hold them, if elected

Chair, Snaresborough and District Engineering Forum. I intend to relinquish that position if elected. I do not intend to take on any additional positions of responsibility of this type, if elected.”

Category (c): Relevant financial interests, and whether they intend to continue to hold them, if elected, reported against the following categories:

- (i) Directorships**
- (ii) Clients;**
- (iii) Land and property;**
- (iv) Shareholdings**

Please note that the guidance for sub-categories (c)(i)-(iv) is drawn closely from that provided to MPs in completing their entry on the Register of Members' Financial Interests. It is recommended that all candidates should seek to make a similar declaration, with the exception of details of the precise amounts of payment received and hours worked.

(c)(i) Directorships

Candidates should declare remunerated directorships in public and private companies, including directorships which are themselves individually unremunerated, but where the company or companies in question are associated with, or subsidiaries of, a company in which he or she holds a remunerated directorship. Candidates should declare directorships which are held at the point at which a candidate publishes their Declaration, and on or after 22 March 2010.

Under the RMFI, MPs are required to declare:

- The name of the company in which the directorship is held;
- A broad indication of the company's business;
- The precise amount of each individual payment made in relation to each directorship (not only salaries and fees, but also any taxable expenses, allowances or benefits in kind);
- The nature of the work carried on in return for that payment;
- The number of hours worked during the period to which that payment relates;
- The length of time for which the directorship has been held;
- The name and address of the person, organisation or company making that payment (except where the disclosure of this information would be contrary to any legal or established professional duty of privacy or confidentiality);

Candidates do not need to provide details of the precise amount of each individual payment received or the hours worked in return for that payment. As a minimum, candidates should provide other details of their directorships as described above. Candidates should also declare:

- Whether the candidate intends to continue to hold this directorship if elected; and
- Whether the candidate intends to take on any additional remunerated directorships, if elected.

Where a company is no longer trading at the point of nomination candidates do not need to declare directorships that they hold or have held in that company. “Not trading” should, however, be interpreted in a strict sense; if a company is engaged in any transaction additional to those required by law to keep it in being, then a remunerated directorship in that company should be declared.

Unremunerated directorships should not be declared against this category. Rather, they should be declared against category (b) (if they are in a relevant type of organisation such as a voluntary or charitable body) or against category (e).

Example: Imran has held a remunerated non-executive directorship at a technology company since November 2008. He attends a monthly meeting of the company’s management board, providing advice on marketing strategy. If elected, he does not intend to retain the directorship and he does not intend to take on any additional directorships. In his Declaration, Imran would provide the following information against this category:

“Category (c)(i) – Directorships

Non-executive director, ZapMax technologies, since November 2008. Contact address: 3 Industry Place, Snaresborough, SB1, 3XX. The company provides technology to the retail industry. I attend monthly board meetings in my capacity as a non-executive Director, providing advice in particular on marketing strategy. I do not intend to continue to hold this directorship if elected. I do not intend to take on any additional directorships, if elected.”

(c)(ii) Clients

Under the RMFI, MPs are required to declare, in respect of any paid employment or any directorships, details of any clients to whom services have been provided. This is a wide-ranging requirement but, as the primary source of employment for MPs is their Parliamentary position, in practice this requirement is not overly onerous. This may not be the case for candidates, many of whom could work in jobs where services are provided to a large number of clients (for example, as a plumber). Providing details of all such clients to whom services have been provided could be a particularly onerous task for many candidates.

Candidates should not, therefore, seek to declare each and every individual client. Rather, candidates should consider carefully which clients they are providing services to at the point of their Declaration and on or after 22 March 2010 and should make a disclosure to the extent that they consider this to be in the public interest and in line with the purpose of the Declaration (i.e. to improve transparency by providing voters with a useful and authoritative source of information on a candidate’s financial and other relevant interests).

So, for example, a candidate who works as a plumber would not declare details of each and every client to whom they have provided services. However a candidate who, for example, has provided public affairs consultancy advice for an industry lobby group should disclose this information against this category.

Candidates should not provide details of the precise amount of each individual payment received or the hours worked in return for that payment. For those clients which a candidate considers should be disclosed, the following details should be provided:

- The nature of the work carried on or services provided in return for that payment;
- The name and address of the person, organisation or company making that payment (except where the disclosure of this information would be contrary to any legal or established professional duty of privacy or confidentiality);
- Whether the candidate intends to continue to provide such services if elected; and
- Whether the candidate intends to provide any additional services, if elected.

Candidates should discuss with their employer before declaring details of any clients. Where a candidate receives remuneration from a company or partnership engaged in consultancy business which itself has clients, candidates should declare details of clients to whom they have personally provided services, either directly or indirectly, where they consider this to be relevant.

Example 1: Sue works part time as a public affairs consultant. She has declared this employment against category (a) of her declaration. She considers the clients that she is currently providing services to and those she has recently provided services to, and whether there is a public interest in declaring this. She concludes that work she is undertaking and has undertaken to advise companies on the development of public policy should be declared, subject to any legal or established professional duty of privacy or confidentiality. In her Declaration, Sue would provide the following information against this category:

“Category (c)(ii) – Clients

- (1) Speedywheels Haulage, Snaresborough, 24 Oak Tree Lane, SB1 7TQ. Monitoring of and provision of advice on public policy on road transportation.
 - (2) OR Foods Inc., Snaresborough, 17 Green Lane, SB1 4AC. Monitoring of and provision of advice on public policy on food labelling.
- Other clients cannot be disclosed due to established duty of confidentiality. As indicated under category (a), I do not intend to continue to provide any consultancy services if elected.”

Example 2: Helen works as a self-employed plumber, as mentioned in the example under category (a) above. Helen provides services to a large number of clients in respect of this employment; her clients are the individuals to who she has provided plumbing services. She does not consider that there is a public interest in disclosing the details of each of these clients. Therefore, in her Declaration, Helen would provide the following information against this category:

“Category (c)(ii) – Clients

I provided services to a number of clients in respect of my paid employment as declared under category (a) above. However, I do not consider that disclosure of the details of each of these clients would be relevant to the purpose of this guidance or in the public interest.”

Example 3: Matt works as an accountant for a private company. He declares this employment under category (a) above. He provides services for clients in respect of this employment. He discusses with his employers who advise that his work for these clients is subject to an established duty of confidentiality. He agrees with his employer that he should declare the number of clients that he has provided services for since 1 March 2010, but that declaration of any further information would breach this established duty. In his Declaration, Matt would provide the following information against this category:

“Category (c)(ii) – Clients

I have provided services to six clients in respect of my paid employment as declared under category (a) above since 1 March 2010. Disclosure of any further details of my clients would breach an established duty of confidentiality.”

(c)(iii) Land and property

Candidates should declare any land or property they personally own which:

- has a substantial value; or
- from which a substantial income is derived.

Candidates should provide details of property and land which they own at the point at which they publish their Declaration and which they owned on or after 22 March 2010. They should not declare the value of the holding or the income derived from it. Where they no longer hold the property or land at the time of the Declaration, candidates should indicate the relevant dates.

The nature of the property should also be indicated. However, candidates should not declare property where that property is used for the personal residential purposes of the candidate or the candidate's spouse or partner. A property, such as a farm, on which a candidate has a residence should be declared if it has a substantial value aside from the residential use. Where a property is used as both a home and an office, this should only be declared if the property has a substantial value aside from the residential use.

In determining whether land or property has a substantial value or gives rise to a substantial income, candidates should have regard to the threshold that exists for the purposes of an MP's declaration on the Register of Members' Financial Interests. "Substantial value" is defined as a value which is greater than the current Parliamentary salary for a backbench MP (that is £64,766 – usually rounded to £65,000). "Substantial income" means an income greater than 10% of the current Parliamentary salary before tax (i.e. greater than £6,477 per annum – usually rounded to £6,500 per annum).

The following points should also be borne in mind:

- Candidates should only declare details of property or land which they personally own. Where property or land is jointly owned, candidates should only make a declaration if the proportion which they own or the proportion of income they derive is substantial;
- If the income from a candidate's total property portfolio (including main and any other homes) is substantial (i.e. exceeds £6,500 taking the RMFI definition) all the properties from which any income is derived should be declared;
- Candidates do not need to provide full addresses for each area of land or property, but should be reasonably specific as to the nature of the property and its general location. Candidates do not need to state the precise value of their property, or the amount of income they derive from it;
- Candidates should indicate whether they intend to continue to hold this property or land and/or derive an income from it if elected. Additionally,

they should indicate whether they intend to acquire any additional property or land.

Example: In addition to her main family home, Maxine personally owns six residential flats, which she lets to private tenants. Each flat has a market value of £80,000. Tenants pay £400 per month in rent for each flat, giving a total yearly gross income of £4,800 per flat. This is lower than 10% of the current Parliamentary salary. However, in total Maxine’s annual gross income from property is £28,800. Maxine also owned a plot of woodland, worth £100,000, but sold this in April 2010. Maxine intends to continue to hold the flats, if elected. In her Declaration, Maxine would provide the following information against this category:

“Category (c)(iii) – Land and property

(1) Six residential properties in Snaresborough, from which rental income is received.

I intend to continue to hold these properties if elected.

(2) Woodland in Greater Snaresborough, sold on 4 April 2010.

I do not intend to acquire any further property or land, if elected.”

(c)(iv) Shareholdings

Candidates should declare interests in shareholdings that they hold either personally, or with or on behalf of their spouse or partner or dependent children, in any public or private company or other body. In the case of the RMFI, MPs declare shareholdings which are:

- greater than 15% of the share capital of the company or body; or
- 15% or less of the issued share capital, but greater in value than the current Parliamentary salary for a backbench MP (£64,766).

Candidates may wish to have regard to this when determining which shareholdings they will declare.

Where an MP makes a declaration under the Register of Members’ Financial Interests, the value of a shareholding is determined by the market price of the share on the 5 April preceding the date on which the Declaration is published.

Candidates should declare details of shareholdings which they hold at the point at which they publish their Declaration, or which were held on or after 22 March 2010. Where they no longer hold the shareholding at the time of the Declaration, candidates should indicate the relevant dates. For each shareholding, candidates should declare the company’s name and the nature of the company’s business. Candidates do not need to declare the precise value of their shareholding or the percentage of the total issued share capital that it represents. Candidates should also declare whether they intend to continue to hold these shares, if elected and if they intend to take on any additional shareholdings.

In deciding on whether to declare information under this category, candidates should make their assessment based on the market price as at 5 April 2010, or the most recent date for which they have information at the time they submit their Declaration. If the market price cannot be ascertained, candidates should decide whether to register it on the basis of its estimated value, having made an honest assessment on the facts. Interests in shareholdings include share options.

Candidates are not generally expected to declare holdings in a collective investment vehicle (including unit trusts, investment companies with variable capital (ICVCs) and investment trusts). Candidates may, however, wish to consider making a declaration of such interests if they consider this to be in the public interest.

Pensions in themselves should not be declared, but identifiable holdings in a self-invested personal pension fund, if of substantial value, should be declared either under this category or category (c)(iii).

Example: Nnenna holds shares in a small local business comprising 40% of the total issued share capital of that company. She also holds shares with her partner in the same company, also comprising 40% of the total issued share capital. Nnenna also holds shares in major national retailer. These are a small percentage of that company's total issued share capital, but in total they were valued at £75,000 on 5 April 2010. Nnenna intends to continue to hold these shares, if elected. She does not intend to acquire any additional shareholdings. In her Declaration, Nnenna would provide the following information against this category:

“Category (c)(iv) – Shareholdings

- (1) Shareholding in Tasty Eats, a local café.
- (2) Shareholding in Tasty Eats, a local café, held with my partner.
- (3) Shareholding in Jones & Brown, national furniture retailer.

I intend to continue to hold these shares if elected. I do not intend to take on any additional shareholdings.”

Category (d): Tax matters

As indicated in the initial checklist in section two above, the detailed guidance under this section is only relevant to candidates who, for the tax year 2008/09, have claimed to be, or been treated as, not resident, not ordinarily resident or non-domiciled in the UK for tax purposes. Candidates to whom this does not apply should state the following in their Declaration:

“I confirm that, for the tax year 2008/09, I have not claimed to be, or been treated as not resident, not ordinarily resident or non-domiciled in the UK for tax purposes.”

Candidates who are unsure whether this applies to them should read the following paragraphs carefully before deciding what to declare under this category.

The amount of tax that an individual pays in the UK is determined by reference to their tax status – that is whether they are resident (R), ordinarily resident (O) and domiciled (D) in the UK for tax purposes. Many people will not have thought in detail about which status(es) they hold, either because these matters are self-evident or because they have made no difference to the tax due because they do not have any foreign assets, income or capital gains.

The vast majority of individuals in the UK are resident (R), ordinarily resident (O) and domiciled (D) in the UK for tax purposes (“ROD”) in the UK. Such individuals pay tax in the UK on the arising basis of taxation. This means that they pay UK tax on their assets, income and capital gains wherever it arises in the world.

Some UK residents are not domiciled in the UK, or may not be ordinarily resident in the UK. Such individuals can opt to pay tax on the remittance basis of taxation. If they are not domiciled in the UK this means that they pay UK tax on income and gains which arise in the UK, but do not pay UK tax on any foreign income and/or gains unless they are brought (remitted) into the UK. (Individuals who are domiciled but not ordinarily resident in the UK can only claim the remittance basis in respect of foreign income, not gains.) Accessing the remittance basis may incur an annual charge of £30,000. The remittance basis of taxation is not normally automatic. Individuals normally have to claim it, if entitled to do so. If they do not, they will be taxed on the arising basis of taxation.

The inheritance tax rules for individuals who are not domiciled in the UK are also different. Broadly, non-domiciles pay inheritance tax only on UK assets, whereas domiciles (or those treated as domiciled in the UK under special inheritance tax rules) pay UK inheritance tax on worldwide assets.

Detailed guidance on taxation matters is provided by HM Revenue and Customs at www.hmrc.gov.uk/cnr/hmrc6.pdf.

Candidates are not expected to give an indication of whether they hold R, O or D status at the current time. However, in line with the purpose of the declaration, candidates should consider carefully whether, during the tax year 2008/09, they have claimed to be, or been treated as, not resident, not ordinarily resident or not domiciled in the UK for tax purposes (including under a Double Taxation Agreement between the UK and another country). This includes for income tax, capital gains tax and inheritance tax purposes. Candidates might also wish to make a broader-ranging declaration for other tax years and their intention for the current tax year, to the extent to which this is known.

The result of making such a claim or being treated in such a way is that, in those year(s), the individual in question would have paid some tax on their worldwide income, gains and assets outside the UK. Candidates who have made such a claim or been treated in such a way should declare this and, where they choose to make a wider declaration spanning several years, should indicate in which year(s) this was the case.

Candidates who made no such claim in the tax year 2008/09 should make the declaration described at the beginning of this section of the guidance. Candidates who are unsure whether they may or may not have made such a claim or are unsure whether their residence or domicile status may have been relevant to their tax liability may wish to consult a tax specialist before making their Declaration.

Unlike other categories, candidates should not give an indication of whether they intend to make such a claim in future tax years, if elected. This is because all major political parties have committed to legislating to ensure that all MPs and Peers will in future pay full tax in the UK.

Example 1: Mark earns a UK income from his job as a teacher, a position he held throughout tax year 2008/09 and continues to hold. He has no foreign assets, income or gains. His income from his employment is taxed at source. In his Declaration, Mark would provide the following information against this category:

“Category (d) – Tax status

“I confirm that, for the tax year 2008/09, I have not claimed to be, or been treated as not resident, not ordinarily resident or non-domiciled in the UK for tax purposes.”

Example 2: Ruth works as a doctor, a position she held throughout tax year 2008/09. In addition to her UK income from that job, which is taxed at source, she derives an income from property in France. Ruth is not domiciled in the UK. She claimed the remittance basis of taxation for 2008/09 and intends to claim it for the current tax year. Her rental income is held in a French bank account and is not brought into the UK and so no UK tax is paid on it. Ruth would have declared the foreign rental income against category c(iii) in this guidance. In her Declaration, Ruth would provide the following information against this category:

“Category (d) – Tax status

For the tax year 2008/09 I have claimed the remittance basis of taxation and I intend to claim this for the current tax year. I confirm that I have therefore paid some tax outside of the UK on part of my worldwide income for 2008/09.”

Category (e): Any other interests that the candidate considers relevant.

Candidates may consider that they hold other interests which are relevant to the purpose of the Declaration, as described in section four above. If so, candidates may wish to consider declaring such interests under this category. Candidates should have regard to any concerns over privacy in doing so.

6. Information which should not be provided in a Declaration of Interests

Candidates are free to include any additional information in their Declaration that they consider relevant. However, candidates are already required to disclose, by law, certain information relating to their candidacy. Candidates are therefore encouraged to follow the already established processes for disclosing the following information:

- **Election expenditure.** All general election candidates and their agents must complete a return and declaration as to their election expenses following the election. These must be provided to the Returning Officer. There is no requirement to provide details of expenditure prior to the election. The Electoral Commission has produced further detailed guidance on completing election expenditure returns, which is available from the Electoral Commission's website at: www.electoralcommission.org.uk/guidance/those-we-regulate/candidates-and-agents#general.
- **Donations, gifts, benefits and hospitality.** Candidates are required by law to provide details of donations received towards their election expenses (whether in cash or in kind) above a specified threshold. Candidates may not accept donations from impermissible sources. Candidates must report on their donations after the election, alongside the election expenses return. Further detailed guidance on how to handle donations is provided by the Electoral Commission at: www.electoralcommission.org.uk/guidance/those-we-regulate/candidates-and-agents#general.
- **Loans.** Candidates are not currently required to report on loan arrangements that they have entered into to meet their election expenses, although candidates who are members of a registered political party are bound by an ongoing obligation to report loans used for political purposes. Candidates are not encouraged to report details of loan arrangements that they have entered into in their Declaration. Guidance on donations and loans for individuals who are members of a political party is provided by the Electoral Commission at: www.electoralcommission.org.uk/guidance/those-we-regulate/individuals#holders.

7. How and when Declarations of Interests can be published

As envisaged in the recommendation made by the CSPL, candidates should aim to publish Declarations at the point of nomination. That is the point at which a complete set of nomination papers and deposit are submitted to the (Acting) Returning Officer for a constituency by a candidate for election.

Candidates may publish their Declaration in whatever manner they see fit to do so, in the way that they consider best provides information to voters (in particular in the constituency in which they will be standing). Candidates may wish to consider one, or more, of the following methods:

- Making the Declaration available on their website, if they have one;
- Including the Declaration in a campaign leaflet, or indicating in such a leaflet how voters might access the Declaration;
- Providing the Declaration to local or national media organisations;
- Making the Declaration available via their party's website.

Political parties may seek to collate and publish all Declarations by their candidates. Candidates standing for a political party may wish to contact their party to establish whether this is the case.

Candidates should **NOT** seek to provide declarations to (Acting) Returning Officers, the Electoral Commission or the Ministry of Justice. These organisations will not be seeking to collect or collate declarations.

8. Frequently asked questions

I need help to complete my Declaration. Who can I call?

Candidates should follow the principles set out in the guidance and make an honest declaration based on the facts of the case, having regard to the public interest. Political parties may provide further advice to their candidates on completing a Declaration. However, ultimately any Declaration is the personal responsibility of the candidate alone.

I do not have a website. Where should I publish my declaration?

Candidates should publish Declarations by whatever means they think appropriate. Candidates without a website may wish to consider providing their Declaration alongside their election material. Candidates may also wish to notify media organisations. Political parties may be seeking to collate and publish all Declarations by their candidates. Candidates standing for a political party may therefore wish to contact their party for further information before publishing their Declaration.

MPs do not have to declare their tax status. Why do candidates?

A number of major political parties have committed to legislating to ensure that all MPs and Peers will in future pay full tax in the UK. Such a requirement will not apply to candidates. However, in line with the purpose of the Declaration (to improve public transparency) candidates are encouraged to make a declaration of their tax affairs.

What does it mean to be “resident”, “ordinarily resident” and “domiciled” in the UK for tax purposes? How can I find out what my tax status is?

Further guidance on these terms is provided by Her Majesty’s Revenue & Customs at: www.hmrc.gov.uk/cnr/hmrc6.pdf.

Many individuals in the UK will be unaware of their tax status. This guidance does not suggest that candidates must know what their status is. It recommends that candidates declare whether they have made a claim to be treated for tax purposes in a certain way, based on their status, in the current or previous five tax years. Being treated in such a way is not normally automatic – individuals must normally consciously opt to be taxed in such a way. Therefore, any individuals who have made such a claim should generally know whether this is the case.

Is this guidance available in other languages and formats?

A version of this guidance is also being made available in Welsh, and can be downloaded from the Ministry of Justice website at www.justice.gov.uk.

What if I make a mistake? Can I correct a previously published Declaration?

Candidates should carefully check and verify all information contained in their Declaration before publishing. If, after publishing, you subsequently spot that you have made an error you might wish to correct this and issue an updated Declaration.

What should I do if I think another candidate has published an incorrect or incomplete Declaration? Who can I complain to?

The publication of Declarations is a voluntary matter. Candidates are under no obligation to publish a Declaration and can choose what information to include within that Declaration. This guidance sets out suggested good practice for those who do choose to publish a Declaration. The purpose of the Declaration is to improve public transparency as to the interests and activities of potential MPs.

Is this is a legal requirement?

No. Candidates for the forthcoming Parliamentary general election are under no legal obligation to publish a Declaration, and there is no sanction for those who choose not to. The Committee on Standards in Public Life recommended that, for future elections, consideration should be given to placing this process on a statutory footing.

Will I be unable to stand for election because of what is in my Declaration?

No. The Declaration does not impact on your eligibility to stand as a candidate.

What happens if I get something wrong?

There is no legal requirement to complete a declaration and there is no legal sanction if you make an error. If you discover that you have made a mistake, you may want to correct and update your Declaration.

What happens if I don't follow the recommendations in this guidance?

Candidates are under no obligation to follow the recommendations in this guidance and there is no legal sanction for those who choose not to.

Why has the Ministry of Justice produced this guidance?

The Committee on Standards in Public Life recommended that the guidance should be produced by the Ministry of Justice. Following the election, the Government will consider placing the production of candidate Declarations of Interests on a statutory footing, and as part of that process consideration will be given to which body should publish guidance for any future elections. No decision has been taken on who will be responsible for producing any future guidance.

This guidance has not been produced by the Electoral Commission and the Commission has no responsibility for its content, although the Commission has agreed to make a copy of the guidance available through its website.

I'm worried that the information in my declaration breaches my privacy or the privacy of those I know. What should I do?

Candidates should consider issues of privacy carefully before deciding whether or not to include certain information in their Declaration. The guidance makes clear that, where the disclosure of information would be contrary to any legal or established professional duty of privacy or confidentiality, information should not be included.

Much of the information that this guidance recommends should be published by candidates is disclosed by sitting Members of Parliament. Candidates should note that if successful at the election, they would be required to publish much of this information by the House of Commons, and could face sanction for not doing so.

9. Model Declaration of Interests form

Name of candidate:	
Constituency:	
Political party (if any):	
Date of publication of Declaration:	
CATEGORY	RELEVANT INTERESTS
(a) Other paid jobs and whether I intend to continue to hold them, if elected	
(b) <u>positions of responsibility in some types of organisation</u> , even if unpaid, and whether I intend to continue to hold them, if elected.	
(c)(i) Directorships , and whether I intend to continue to hold them, if elected.	
(c)(ii) Clients , and whether I intend to continue to advise them, if elected.	
(c)(iii) Land and property , and whether I intend to continue to hold this, if elected.	
(c)(iv) Shareholdings , and whether I intend to continue to hold these, if elected.	
(d) Tax matters	
(e) Any other interests which I consider relevant.	

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