

# Declaration of Interests

## 1. Introduction

During a series of PAB meetings in 2006 the PAB discussed at length a number of issues surrounding Governance. One of these such issues was conflicts of interest and the fact that up until this point PAB members had not been required to publicly declare any relevant interests. The PAB makes decisions on Nominet policy and PAB members are there to represent stakeholders rather than themselves, so it is important to have transparency. It is often the case that PAB members are elected or appointed because of their links with organisations other than Nominet and in order to ensure transparency it is important that stakeholders know about such interests.

At the July 2006 meeting the PAB agreed to adopt the principle of publicly declaring any relevant interests and the Declaration of Interests form. Whilst maintaining an up to date form is an important part of this process, it is equally important for each PAB member to formally declare an interest against any relevant agenda item during the relevant PAB meeting. The meeting agenda is published one week before the meeting therefore PAB members have sufficient time to decide whether they should declare an interest or not and should attend the meeting prepared to do so.

## 2. The current form

The current form is based on the model used by the Information Commissioner's office (ICO) and was agreed by the PAB and has been in use since 2006. At the March meeting we agreed to add a review of the current process to the PAB work programme in order to ensure that it serves the purpose it is intended for.

The basic approach is that **all** PAB members should "declare any interests that might affect the carrying out of their duties as part of the PAB. These are personal or business interests that might influence their judgment, deliberation or action as members of the PAB, or which might be perceived by a reasonable member of the public as doing so."

However, while the emphasis is on relevant interests, the current form has a much more general approach and does not give any guidance on the sort of interests that could be considered relevant or the level of detail that might be appropriate – for example in identifying sufficient information for an outsider to assess the nature of the interest. In addition, there are some items on the form which might be considered overly intrusive and not relevant to Nominet but also there are some things which could be made clearer.

## 3. Discussion

### a. What is a relevant interest?

Nominet's Policy Advisory Body depends for its effectiveness on elected members bringing a specialist level of experience, working with the more general interests from a wider stakeholder group represented by the appointed members. As such, it is to be expected that members will have interests associated with Nominet's area of activities.

The purpose of the declaration of interests register is to provide transparency to the process: this is in the interests of the accountability of the PAB as a whole and of individual members.

In addition, introduced in 2008, PAB members are asked at every meeting to identify interests related to any of the agenda items to be addressed at that meeting. This does not bar any member from the discussion on items (it has been recognised that members with a direct interest can make a very real

contribution to understanding difficult issues), but protects the member from possible accusations of influencing decisions for their own interests.

Relevant interests in the context of Nominet are any activities that might be affected by Nominet's policy or which might have an impact on Nominet's operations. On the current form, members are invited to provide details of all "interests that might affect the carrying out of their duties as part of the PAB. If you are in doubt about whether to disclose a particular interest, please seek the PAB Chair's advice."

Without wanting to be prescriptive, activities that "a reasonable member of the public" might consider relevant could include: any activity related to the provision of services associated with the DNS (for example, as a registrar or an ISP, in providing parking pages, pay-per-click advertising websites, or mail services), or in any domain name trading activity, or in a portfolio of domain names. This might be an individual's private interests or those of a close family member, as well as those associated with businesses they are involved in.

b. Level of detail

How much detail is needed to identify clearly the nature of the interest will depend on a number of factors, and might be a subjective decision. However, it would be reasonable to assume that the information should be sufficient to allow access to additional information on the nature of the business of a company, or to have an idea of the scale of the interest (so an indication of the approximate size of a domain name portfolio, rather than a list of domain names held).

c. Appointed members and declaration of interests.

Appointed members represent their parent organisation, rather than themselves. They are expected to abide by the rule that they "declare any private interests that might affect the carrying out of their duties".

The interpretation of this has been that, if an appointed member does not declare an interest, they have no private interests (ie no interests beyond the interests of the organisation that has been invited to appoint a member to the PAB). It is not thought necessary to change this approach, although appointed members should perhaps be reminded of their obligation to declare personal interests on their appointment.

## 4. Proposed changes

As part of this review we propose to:

- Remove section 5 'Please identify any institution where you hold a total investment or other interest which has a value over £25,000 or which accounts for more than 1/100<sup>th</sup> of the issued shares of securities of that institution, or of any class of such shares or securities. This would include matters such as endowment policies and pension plans'
- Clarify the types of things members are expected to declare: adding examples of the types of interest that might be relevant and requesting information to make it clearer what the relevant interests are.
- Make it explicitly clear that non-completion of a form implies a self-declaration that the member has absolutely no relevant interests to declare.

## **5. Recommendation**

The Executive recommends that the PAB adopt the revised form titled 'Declaration of Interests' attached as Annex A.

## Annex A

### Declaration of Interests

#### Background and Purpose

The PAB acts as a route for stakeholders to communicate with Nominet, and as an advisory body on Nominet's policy direction. To assist in their role to represent stakeholders, members of the PAB are often elected or appointed precisely because of links with organisations other than Nominet.

In order to improve the accountability and transparency of Nominet, all PAB members are required to declare any private interests that might affect the carrying out of their duties as part of the Nominet team. They are also required to take steps to resolve any conflicts that arise in a way that protects Nominet and the interests of .uk stakeholders. To fulfil this requirement, any relevant interests must be declared on the Register of Interests.

Non-completion of the Declaration of Interests form implies a self-declaration that the member has absolutely no relevant interests to declare.

The defining purpose of the Register is to provide information to the public about the relevant interests of the PAB members.

#### What has to be declared?

Every PAB member is required to declare any interests that might affect the carrying out of their duties as part of the PAB. These are personal or business interests that might influence their judgment, deliberation or action as members of the PAB, or which might be perceived by a reasonable member of the public as doing so.

PAB members must consider whether they need to disclose personal involvement with persons or organisations which members of the public might reasonably think could influence their judgment.

Where there is uncertainty about whether a particular interest should be declared, advice should be sought from the PAB Chair.

#### When interests have to be declared

Any interest should be declared prior to discussion of any relevant agenda item at a PAB meeting, or at any other meeting attended. The declaration should take place irrespective of whether the interest has already been recorded in the Register. Once an interest is declared at a meeting, the rest of the PAB may resolve to:

- permit the full participation of the individual when discussing the item;
- permit the individual to participate in discussions but with no right to vote;
- ask the individual to leave the meeting for the agenda item.

It is each person's responsibility to inform the PAB Secretariat of any relevant changes as they occur and to register their interests. In addition, the Register will be reviewed annually.

#### Maintenance and audit of the Register

The PAB Register of Interests will be maintained by the Company Secretary, will be reviewed as part of the company's audit, and reported on in the Annual Report.

#### Failing to Disclose

Where there is a complaint about a failure to disclose a relevant interest, the complaint will be referred to the PAB Chair and dealt with in accordance with the Code of Conduct and the PAB rules. A complaint about the PAB Chair's failure to disclose an interest will be referred to the Chairman of Nominet and dealt with in accordance with the Code of Conduct and the PAB rules.

### Disclosure of Interests - for PAB Register of Interests

The PAB are expected to use this form to provide details of all relevant interests. These are interests that might affect the carrying out of their duties as part of the PAB. If you are in doubt about whether to disclose a particular interest, please seek the PAB Chair's advice.

1. Please give details of any ~~relevant remunerated or non-remunerated directorships~~ [directorships of relevant organisations \(e.g. those with activities or interests in the domain name sector\), with the name of each organisation and a brief indication of the nature of its activities.](#)

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2. Please give details of any relevant employment - that is any remunerated employment, offices held, professions etc. that might affect the carrying out of your duties as part of the PAB.

Name of organisation	Nature of <a href="#">the organisation's activities</a>	Position within organisation

3. Please give details of any [relevant](#) voluntary and/or public offices held.

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4. Please give details of any sponsorships or financial or material support that you receive from any organisation falling within the area of Domain Names or other activities carried on by Nominet.

~~5. Please identify any institution where you hold a total investment or other interest which has a value over £25,000 or which accounts for more than 1/100<sup>th</sup> of the issued shares or securities of that institution; or of any class of such shares or securities. This would include matters such as endowment policies and pension plans.~~

5. Please give details of any other relevant interests, including significant interests of close family members, i.e. ones which might influence your judgment, deliberation or action as a member of the PAB, or which might be perceived by a reasonable member of the public as doing so. [This should include an indication of any relevant investments, for example, the size of any domain name holding, and reference to activities in operating pay-per-click websites or any domain name trading activity not listed elsewhere.](#)

6. Signature and date.