

## NOTE

FROM: THE MONITORING OFFICER

TO: JOINT VENTURE COMPANY BOARD MEMBERS

### *Other Registrable Interests – Joint Venture Companies*

Following the receipt of independent legal advice commissioned on the recommendation of the council's auditors, I am issuing this note to all the councillors who sit on the boards of the following companies or any subsequently incorporated joint venture companies:

Pearl Enterprise and Regeneration Limited

Pearl Enterprise and Regeneration 2 Limited

Pearl Enterprise and Regeneration (Brierfield Mill) Limited

PEARL Together Limited

Penbrook Developments Limited

1. As an overriding principle, it must be recognised and understood that whilst they are appointed by the Council, a councillor director is NOT a representative of the Council when they are acting in their capacity as a director of a company. When acting as such they must always comply with their duties as a company director, which take precedence over their duties to the Council.
2. Equally, when acting in the role, there is a of risk of potential challenges on the grounds of bias or predetermination in respect of the councillor directors. The risk of such allegations cannot be negated by the entry in the Council's Register of Interests of the current Pendle directors' directorship of the Companies, or by the granting of a dispensation in respect of them under the Localism Act 2011.
3. Accordingly, therefore,
  - where a matter arises at **ANY** meeting which ***directly relates*** to the financial interest or wellbeing of such a directorship which will be one of your Other Registrable Interests (as set out in Table 2 of the Code of Conduct), you must disclose the interest. **You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room.**

- Where a matter arises at a meeting which **affects** a financial interest or wellbeing of a body included under Other Registrable Interests as set out in Table 2 you must disclose the interest. To determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter **affects** the financial interest or well-being:

- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

**then you may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise, you must not take part in any discussion or vote on the matter and must not remain in the room.**

Howard Culshaw

Monitoring Officer

18<sup>th</sup> June 2025