

HOUSE OF LORDS

Committee for Privileges

3rd Report of Session 2009–10

Registration and declaration of interests: complaint against Lord Ashcroft

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The Committee for Privileges

The Committee for Privileges is appointed each session by the House to consider questions regarding its privileges and claims of peerage and precedence and to oversee the operation of the Register of Interests. Detailed consideration of matters relating to the Register of Interests is undertaken by the Sub-Committee on Lords' Interests.

Current Membership

The Members of the Committee for Privileges are:

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Lord Brabazon of Tara (*Chairman*)
Lord Brooke of Sutton Mandeville
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The Members of the Sub-Committee on Lords' Interests are:

Lord Cope of Berkeley
Lord Dholakia
Lord Irvine of Lairg
Baroness Manningham-Buller (*Chairman*)
Baroness O'Neill of Bengarve

A full list of Members' interests can be found in the Register of Lords' Interests:

<http://www.publications.parliament.uk/pa/ld/ldreg/reg01.htm>.

General Information

General information about the House of Lords and its Committees is on the Internet at

<http://www.parliament.uk/lords/index.cfm>.

Contacts

General correspondence should be addressed to the Clerk of the Committee for Privileges, House of Lords, London, SW1A 0PW (telephone 020 7219 8796).

Correspondence relating to Members' interests, or the work of the Sub-Committee on Lords' Interests, should be addressed to the Registrar of Lords' Interests, House of Lords, London SW1A 0PW (telephone 020 7219 3120).

**REGISTRATION AND DECLARATION OF INTERESTS:
COMPLAINT AGAINST LORD ASHCROFT**

1. The Sub-Committee on Lords' Interests has investigated the conduct of Lord Ashcroft, following a complaint made against him by Mr Stephen Pound MP. The Sub-Committee's report is printed in the Appendix to this Report.
2. **The Sub-Committee has dismissed Mr Pound's complaint, and we endorse this conclusion.**
3. We also draw members' attention to paragraphs 9–10 of the Sub-Committee's report, which highlight key differences between the present rules on registration and declaration of interests, and those set out in our 2nd Report¹, which we expect to come into force from the start of the new Parliament.

¹ Committee for Privileges, 2nd Report, 2009–10 (HL Paper 81).

APPENDIX: REPORT FROM THE SUB-COMMITTEE ON LORDS' INTERESTS: COMPLAINT AGAINST LORD ASHCROFT BY MR STEPHEN POUND MP

The complaint

On 14 December 2009 Mr Stephen Pound MP made a formal complaint against Lord Ashcroft.

1. Part of the complaint alleged that Lord Ashcroft had failed to register in the Register of Lords' Interests a company called Mayfair Limited. Mayfair Limited is a company incorporated in Belize and Lord Ashcroft is reported to be "the sole ultimate beneficial owner and sole director". Mr Pound complained that Lord Ashcroft had thus failed to disclose all his relevant business interests and so had not fully met his responsibilities under the House of Lords code of conduct.
2. A further allegation is that when Lord Ashcroft tabled questions for written answer about Belize and British overseas dependent territories in the Caribbean, he failed to declare his interest in Mayfair Limited.

Our investigation

3. In answer to the complaint, Lord Ashcroft told us that Mayfair Limited was a holding company which did not itself trade, and that its shareholdings were all disclosed in the Register of Lords' Interests.
4. Moreover, he was not and never had been in receipt of remuneration or any expenses from Mayfair Limited.

Our findings

5. The Sub-Committee must first make it clear that Mr Pound's complaint was submitted under the House's present code of conduct adopted in July 2001. A new code comes into force from the start of the new Parliament, but it is against the present code that the complaint must be judged.
6. The present code of conduct requires registration of remunerated directorships (paragraph 12(e)). But the Sub-Committee finds that there is no requirement in the present code for a Member of the House to register a non-remunerated directorship of a company; and it is not among those non-financial interests that the code deems to be always relevant (paragraph 15).
7. For this reason the Sub-Committee rejects the first part of the complaint against Lord Ashcroft.
8. So far as regards that part of the complaint relating to the tabling of questions for written answer, the Sub-Committee notes that there is at present in the House of Lords no procedure for making such a declaration. So that complaint must also be rejected.

Conclusion

9. We reject the whole of the complaint against Lord Ashcroft and we have nothing to add to our consideration of the complaint against him. **We would however draw the attention of all Members of the House to the new code of conduct that comes into force from the start of the new Parliament. Under the new code Members of the House will be required to register all**

directorships of public and private companies, paid and unpaid, including directorships of companies that are not trading. This is an important change from the existing code.

10. **We also draw to Members' attention the proposed new procedure for notifying an interest when tabling questions and motions.** The House will be asked to endorse this procedure when it considers the guidelines this Sub-Committee and its parent Committee have put forward to help Members to understand the new code of conduct.