

## Research and Information Service Briefing Paper

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## Employment of/benefits received by "connected persons" in relation to elected representatives

The information contained in this briefing note should not be relied upon as legal advice or as a substitute for it.

### Overview

The following tables provide an overview of the arrangements in the various legislatures. The detail of the provisions of the schemes is discussed in the body of the paper.

**Table 1 - Members' expenses schemes** 

Legislature	Who administers the scheme?	Does the concept of "connected parties" or "connected persons" exist within the scheme?	Do Members have to record relationships with a connected party or person, including family members?	Is this information published?
House of Commons	The Independent Parliamentary Standards Authority.	Yes. IPSA defines a connected party as:  •A spouse, civil partner or cohabiting partner of the member;  •Parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the member or of a spouse, civil partner or cohabiting partner of the member; or  •A body corporate, a firm or a trust with which the MP is connected as defined in section 252 of the Companies Act 2006	Yes, IPSA requires Members to complete a <i>Connected Party Declaration</i> .	Yes. The information is collated and published as part of the MP's Annual Expenditure.
Scottish Parliament	The Scottish Parliamentary Corporate Body	Yes, but the Scottish Parliament Members' Expenses Scheme appears to draw a distinction between family members and connected parties. The Guidance accompanying the expenses scheme defines a close family member as a spouse, civil partner or co-habiting partner of the Member or a parent, child, grandparent, grandchild, brother, sister, uncle, aunt, nephew or niece of the Member or his/ her spouse/ partner.	The scheme provides that a Member who submits a claim in respect of the cost of employing a close family member, whether individually or through a pool, must declare that relationship in a register.	Yes. The SPCB is required to make available for public inspection a register detailing employment of close family members and those of another member.
		A connected person is defined as a business partner, business associate of the Member or any organisation (other than a political party) in which the Member or a close family Member has an interest.	Reimbursement from parliamentary expenses in relation to connected persons is prohibited under the scheme.	In relation to employment of family of another MSP, the guidance states: "This information will be published in a register which will be publicly available. This register is entirely separate from the Register of Members' Interests maintained by the clerks

				to the Standards, Procedures and Public Appointments Committee.
National Assembly for Wales	The Assembly Commission has ultimate responsibility for the administration of the scheme, but the Remuneration Board sets the rate of pay and expenses for Assembly Members.	The term does not appear in the literature relating to the expenses scheme. However, the Assembly has in place strict requirements for the registration and notification of the employment of family members or family members of another member, where those persons receive Commission funds.	See Table 2.	See Table 2.
Oireachtas	The Houses Commission.	No.	No, but see Table 2.	No, but see Table 2.

**Table 2 - Registers of Members' Interests** 

Legislature	Does the concept of "connected parties" or "connected persons" exist within the Register of Interests?	Do Members have to record relationships with a connected party or person, including family members?	Is this information published?
House of Commons	No, but there is some overlap between the reporting requirements of the IPSA scheme and the Register of Interests, specifically with regards to family members.	The Register of Interests requires Members to register details of any family members (by blood or by marriage or a relationship equivalent to marriage) employed by them and remunerated through parliamentary allowances (for casual employment, this is subject to a threshold of 1% of a Member's annual parliamentary salary).	Yes. The Register of Interests is a publically available document and Part 2 of the Register deals specifically with Category 12 of registerable interests: Family members employed and remunerated through parliamentary allowances.
Scottish Parliament	No. The Code of Conduct contains guidance on registerable interests and the term does not appear in the guidance. However, as noted in Table 1, there is a requirement to register employment of family members	Not in the Register of Interests, but see Table 1.	See Table 1.

	and family members of other Members. This relates to the <b>expenses scheme</b> for Members, rather than the Register of Interests.		
National Assembly for Wales	No. However, the National Assembly for Wales differs from the other legislatures in that its Standing Orders detail the process to be followed for the registration of employment of family Members. Detailed separate guidance also exists to advise Members on this matter.	The Record of the Employment of Family Members is separate to the Register of Interests.	The Record of the Employment of Family Members is maintained in the Table Office. It is open to public inspection in the Table Office itself during opening hours. Copies of individual entries may be made available on request.
Oireachtas	A Member must also disclose any 'material interest' he/she, or a connected person might have in the proceedings of either House if they intend to vote or speak in such proceedings.	Yes, on the basis provided for in the column to the left.	The Register of Interests is a publically available document.
	The Standards in Public Offices Commission provides the following definition of connected persons:		
	•a person is connected with an individual if that person is a relative of the individual ("relative", in relation to a person means a brother, sister, parent or spouse of the person or a child of the person or of the spouse;)		
	•a person, in his or her capacity as a trustee of a trust, is connected with an individual who or any of whose children or as respects whom any body corporate which he or she controls is a beneficiary of the trust,		
	•a person is connected with any person with whom he or she is in partnership,		
	•a company is connected with another person if that person has control of it or if that person and persons connected with that person together have control of it,		
	•any two or more persons acting together to secure or exercise control of a company shall be treated in relation to that company as connected with one another and with any person acting on the directions of any of them to secure or exercise control of the company		

#### 1 Introduction

This paper has been prepared for the Committee on Standards and Privileges. It provides information on the following issues:

Whether the House of Commons, House of Lords, Scottish Parliament, National Assembly for Wales and the Oireachtas require their Members to:

- Register details on their respective Register of Members' Interests of
  - Any connected parties (as per the Panel's definition) that they employ or who otherwise benefit from the Member's office expenditure;
  - Any connected parties of other Members that they employ or who otherwise benefit from the Member's office expenditure; and
  - Any lobbyists who they employed and who are remunerated through the Member's office cost expenditure
- Publish or Declare these details in any other format or at any other time (e.g. on the legislature's website or when submitting a claim)
- If it is the case that neither (a) nor (b) apply because the rules do not allow such a circumstance to arise then it would be useful if the research paper also provided these details.

The Independent Financial Review Panel's (IFRP) definition of a "connected party" or "connected person", referred to in the first bullet point above, is:

- A family member or
- A person with whom the member is "Connected" within the meaning of section 252(2)(b), (c), (d) and (e) and section 254 of the Companies Act 2006 or
- A political party of which he is a Member
- Any organisation or entity in which the Member or a family member has a beneficial interest or in which the Member's political party has a beneficial interest<sup>1</sup>.

#### What are sections 252 and 254 of the Companies Act?

Section 252 Persons connected with a Director

254 Director "connected with" a body corporate.

(b) a body corporate with which the director is connected (as defined in section 254);

(c) a person acting in his capacity as trustee of a trust—

(1) This section defines what is meant by references in this Part to a director being "connected with" a body corporate.

http://ifrp.org.uk/wp-content/uploads/2012/03/The-Report-of-the-Independent-Financial-Review-Panel-March-2012.pdf

- (i) the beneficiaries of which include the director or a person who by virtue of paragraph (a) or (b) is connected with him, or
- (ii) the terms of which confer a power on the trustees that may be exercised for the benefit of the director or any such person,
- other than a trust for the purposes of an employees' share scheme or a pension scheme;
- (d) a person acting in his capacity as partner—
- (e) a firm that is a legal person under the law by which it is governed and in which—
- (i) the director is a partner,
- (ii) a partner is a person who, by virtue of paragraph (a), (b) or (c) is connected with the director, or .
- (iii) a partner is a firm in which the director is a partner or in which there is a partner who, by virtue of paragraph
- (a), (b) or (c), is connected with the director.

- (2) A director is connected with a body corporate if, but only if, he and the persons connected with him together—
- (a) are interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least 20% of that share capital, or
- (b) are entitled to exercise or control the exercise of more than 20% of the voting power at any general meeting of that body.
- (3) The rules set out in Schedule 1 (references to interest in shares or debentures) apply for the purposes of this section.
- (4) References in this section to voting power the exercise of which is controlled by a director include voting power whose exercise is controlled by a body corporate controlled by him.
- (5) Shares in a company held as treasury shares, and any voting rights attached to such shares, are disregarded for the purposes of this section.
- (6) For the avoidance of circularity in the application of section 252 (meaning of "connected person") —
- (a) a body corporate with which a director is connected is not treated for the purposes of this section as connected with him unless it is also connected with him by virtue of subsection (2)(c) or (d) of that section (connection as trustee or partner); and
- (b) a trustee of a trust the beneficiaries of which include (or may include) a body corporate with which a director is connected is not treated for the purposes of this section as connected with a director by reason only of that fact.

#### Financial probity and declaration of interests

There are two distinct aspects emerging from this query. The first is that most legislatures administer, or in the case of the House of Commons have administered on its behalf, a pay and allowances scheme. As part of this, Members are required to spend public money in a manner compliant with the rules of the scheme and to make declarations on, for example, employing family members.

Members are also required to abide by the Code of Conduct of their respective legislature and to register all relevant interests in the Register of Members' Interests. Members will also be expected to declare any relevant interest in parliamentary proceedings.

#### Lobbying

The research did not find specific reference to the employment of lobbyists who are remunerated through a Member's office cost expenditure. All of the legislatures have strict rules in place on the issue of lobbying and this is discussed further in research paper NIAR 29-14.

#### **House of Lords**

The research did not find any relevant material relating to the House of Lords for the purposes of this paper. The website of the House of Lords provides a summary of the system of financial support for Members:

Members of the House of Lords Most Members of the House of Lords do not receive a salary for their parliamentary duties but are eligible to receive allowances and, within certain limits, the travel expenses they incur in fulfilling their parliamentary duties. Members of the Lords who are not paid a salary may claim a flat rate attendance allowance of £150 or £300, or may choose to make no claim for each sitting day they attend the House.

This daily allowance replaces the separate Overnight Subsistence, Day Subsistence and Office Costs in the previous system. Members choose at which rate they wish to claim and entitlement is determined by attendance, not based on residence criteria.

Members who receive a Ministerial or Office Holders' salary are not entitled to claim the allowances based on attendance<sup>2</sup>.

Furthermore, the Lords' Code of Conduct and Guide to the Code of Conduct states:

Members of the House of Lords do not receive a specific allowance for employing staff; consequently, the level of staff support for Members varies widely. Many staff working for Members obtain income from sources outside the House<sup>3</sup>.

#### 2 House of Commons

#### Does the concept of "connected persons" or "connected parties" exist?

Only in relation to the Independent Parliamentary Standards Authority (IPSA), which is legislated to administer and regulates a pay and expenses scheme for Members of the House of Commons. The Register of Members' Interests is an internal matter for the House of Commons authorities.

IPSA's definition of 'connected party' is narrower than that used by the IFRP. IPSA defines a connected party as:

- A spouse, civil partner or cohabiting partner of the member;
- Parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the member or of a spouse, civil partner or cohabiting partner of the member; or

<sup>&</sup>lt;sup>2</sup> http://www.parliament.uk/mps-lords-and-offices/members-allowances/house-of-lords/holallowances/system-of-financial-support-for-members-of-the-lords/

http://www.publications.parliament.uk/pa/ld/ldcond/code.pdf

 A body corporate, a firm or a trust with which the MP is connected as defined in section 252 of the Companies Act 2006<sup>4</sup>

Specifically, IPSA does not include:

- a political party of which he is a Member; or
- any organisation or entity in which the Member or a family member has a beneficial interest or in which the Member's political party has an interest

The IPSA definition clearly distinguishes between persons (family) and bodies (trusts, companies etc.)

# Are Members required to register any connected parties (as per the Panel's definition) that they employ or who otherwise benefit from the Member's office cost expenditure?

**IPSA** 

There are two separate reporting regimes that MPs must abide by. The Independent Parliamentary Standards Authority requires Members to complete a *Connected Party Declaration*. The information is collated and published as part of the MP's Annual Expenditure<sup>5</sup>.

#### House of Commons

Members must declare any relevant interests in the Register of Members' Interests:

The House has two distinct but overlapping and interdependent mechanisms for the disclosure of the personal financial interests of its Members: registration of interests in a Register which is open for public inspection; and declaration of interest in the course of debate in the House and in other contexts.

The main purpose of the Register is to give public notification on a continuous basis of those financial interests held by Members which might be thought to influence their parliamentary conduct or actions.

The main purpose of declaration of interest is to ensure that Members of the House and the public are made aware, at the appropriate time when a Member is making a speech in the House or in Committee or participating in any other proceedings of the House, of any past, present or expected future financial interest, direct or indirect, which might reasonably be thought by others to be relevant to those proceedings<sup>6</sup>.

Members must register details of any family members (by blood or by marriage or a relationship equivalent to marriage) employed by them and remunerated through

<sup>4</sup>http://parliamentarystandards.org.uk/IPSAMPs/Scheme/schemeversion/Documents/MPs%E2%80%99%20Scheme%20of%20 Business%20Costs%20and%20Expenses%20Sixth%20Edition.pdf

<sup>&</sup>lt;sup>5</sup> http://www.parliamentary-standards.org.uk/AnnualisedData.aspx

http://www.publications.parliament.uk/pa/cm201012/cmcode/1885/1885.pdf

parliamentary allowances (for casual employment, this is subject to a threshold of 1% of a Member's annual parliamentary salary)<sup>7</sup>:

Any family members employed and remunerated through expenses or allowances available to support his or her work as a Member of Parliament. Family members should be regarded as including a spouse, civil partner or cohabiting partner of the Member and the parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the Member or of a spouse, civil partner or cohabiting partner of the Member<sup>8</sup>.

It was noted by the then Commissioner that IPSA's definition of connected parties was wider than family members, as it also included bodies corporate and trusts with which the Member is connected. It was also recognised that there was considerable overlap between the two sets of information<sup>9</sup>.

The Standards Commissioner at the time did not consider that there were sufficient grounds to extend the registration requirement to the other "connected parties" in the IPSA definition<sup>10</sup>.

#### Are there any restrictions in relation to connected parties?

IPSA's *MPs' Scheme of Business Costs and Expenses* provides more information on the rules around connected parties:

- Staffing Expenditure may only be claimed for the salary of one employee who is a connected party, unless an MP employed more than one connected party on 7 May 2010. In that case the MP may continue to employ these connected parties until the parties in question cease to be employed or otherwise to provide staffing assistance
- Except to the extent permitted under paragraph 4.18<sup>11</sup>, no costs may be claimed relating to an MP's rental of a property, where the MP or a connected party is the owner of the property in question
- MPs may rent accommodation from another MP, provided that the landlord MP is not a connected party. Only the tenant MP may claim the associated expenditure for that property
- No costs may be claimed relating to the purchase of goods or services, where the MP or a connected party is the provider of the goods or services in question

<sup>&</sup>lt;sup>7</sup> House of Commons Code of Conduct

<sup>8</sup> As above

<sup>&</sup>lt;sup>9</sup> http://www.publications.parliament.uk/pa/cm201213/cmselect/cmstnprv/636/636.pdf

<sup>&</sup>lt;sup>10</sup> As above

<sup>&</sup>lt;sup>11</sup> 4.18 states 'For MPs claiming associated expenditure only, the annual Accommodation Expenditure budget is £8,850'

 Staffing Expenditure may be used to meet the following costs: modest reward and recognition payments (but these may not be claimed in respect of any connected parties);

- MPs choosing to sell their properties before the end of the transitional period must secure an independent valuation by a valuer regulated by the Royal Institution of Chartered Surveyors to establish any gain up to the point at which they place the property on the market:
  - If the property is sold for a sum higher than the valuation, this higher figure will be used to calculate any gain;
  - o If the property is sold for a sum lower than the valuation, this lower figure will be used to calculate any gain unless the property is sold to a connected party as defined at 3.15 of the Scheme, in which case the sum at valuation will be used to calculate any gain.

## Are Members required to register any connected parties of *other Members* that they employ or who otherwise benefit from the Member's office expenditure?

The Office of the Commons registrar confirmed that "there is no requirement for MPs to register the details of employees who are related to another MP"<sup>12</sup>.

#### Is the information published?

As noted above IPSA publishes on its website the information required under its scheme. Information required by the House of Commons is published in the Register of Interests<sup>13</sup>.

### 3 The Scottish Parliament

#### Does the concept of "connected persons" or "connected parties" exist?

Yes, but the Scottish Parliament Members' Expenses Scheme appears to draw a distinction between family members and connected parties. The Guidance accompanying the expenses scheme states:

For the purposes of the Scheme, a close family member is defined as a spouse, civil partner or co-habiting partner of the Member or a parent, child, grandparent, grandchild, brother, sister, uncle, aunt, nephew or niece of the Member or his/ her spouse/ partner.

<sup>&</sup>lt;sup>12</sup> Correspondence with the Office of the Registrar.

<sup>&</sup>lt;sup>13</sup> http://www.publications.parliament.uk/pa/cm201213/cmselect/cmstnprv/636/636.pdf

A connected person is a business partner, business associate of the Member or any organisation (other than a political party) in which the Member or a close family Member has an interest<sup>14</sup>.

The Interests of Members of the Scottish Parliament Act 2006 sets out the requirements for the registration of certain financial interests held by MSPs. It does not address the issue of connected parties.

# Are Members required to register any connected parties (as per the Panel's definition) that they employ or who otherwise benefit from the Member's office cost expenditure?

According to the expenses scheme:

The new scheme provides that a Member who submits a claim in respect of the cost of employing a close family member, whether individually or through a pool, must now declare that relationship in a register<sup>15</sup>.

#### What are the restrictions in relation to family members and connected parties?

The guidance for the expenses scheme contains the following information on connected persons:

- A Member is not entitled to reimbursement of costs in respect of a local office
  if the Member leases office premises from or sub-lets any part of office
  premises to a close family member or connected person.
- A Member is not entitled to the reimbursement of costs in respect of a local office he/she leases from or sub-lets to a close family member or connected person. Again, this requirement will not be applied retrospectively and the Scottish Parliamentary Corporate Body has agreed that current leases may continue until the end of this Parliamentary session. A connected person is defined as a business partner or business associate of the Member or any organisation (other than a party political organisation) in which the Member concerned or close family member has an interest.
- Under paragraph 2.12(b) of the Reimbursement of Members Expenses
   Scheme Members are not permitted to claim for the reimbursement of costs
   associated with leasing a residential property in Edinburgh from a close family
   member, another Member or connected person (such as a business partner,
   business associate of the Member or any organisation (other than a political
   party) in which the Member or a close family Member has an interest).

<sup>&</sup>lt;sup>14</sup> http://www.scottish.parliament.uk/Allowancesandexpensesresources/Members Expenses Scheme Guidance.pdf

<sup>15</sup> http://www.scottish.parliament.uk/Allowancesandexpensesresources/Members\_Expenses\_Scheme.pdf

Although political parties are not included in the definition of connected parties, there are restrictions in place in relation to the expenses scheme:

 A Member who leases local office premises from a party political organisation must provide the SPCB with a report prepared by an independent surveyor providing a professional opinion as to the fair market rent for the premises concerned when leased on the same terms. The report should be sent to the Allowances Office. The costs of this survey can be met out of the Office costs provision.

#### Furthermore:

 A member shall not submit a claim which relates to party political activity and a member shall not enter into any arrangement which could give rise to a benefit to a party political organisation<sup>16</sup>

## Are Members required to register any connected parties of other Members that they employ or who otherwise benefit from the Member's office expenditure?

Section 3.7 of the Expenses Scheme provides that a Member who submits a claim in respect of the cost of employing a close family member of another member, whether individually or through a pool, must declare that relationship in a register.

The Scheme requires that any declaration should be in writing and the SPCB has agreed that the information to be included in the declaration shall be:

- The name of the employing Member or pool
- The name of the other member.
- The name of the member of staff
- The relationship the Member has with the member of staff
- The employment position held by the member of staff
- The date the employment commenced

#### Is the information published?

In accordance with paragraph 3.7 of the Reimbursement of Members' Expenses Scheme the SPCB is required to make available for public inspection a <u>register</u> <u>detailing employment of close family members of another member.</u>

In accordance with paragraph 3.7 of the <u>previous Reimbursement of Members'</u> Expenses Scheme the SPCB is required to make available for public inspection a <u>register detailing the employment of close family members<sup>17</sup>.</u>

<sup>&</sup>lt;sup>16</sup> Scottish parliament Members' Expenses Scheme

In relation to employment of family of another MSP, the guidance states: "This information will be published in a register which will be publicly available. This register is entirely separate from the Register of Members' Interests maintained by the clerks to the Standards, Procedures and Public Appointments Committee".

### 4 National Assembly for Wales

#### Does the concept of "connected persons" or "connected parties" exist?

The term "connected party" or "connected person" does not appear in the expenses scheme guidance for members of the National Assembly for Wales.

Nor does it appear in relation to the Register of Members' Interests.

The National Assembly for Wales differs from the other legislatures in that it makes provision in its Standing Orders for the registration of employment of family members. This is discussed below.

# Are Members required to register any connected parties (as per the Panel's definition) that they employ or who otherwise benefit from the Member's office cost expenditure?

Standing Order 3 requires the National Assembly to maintain and publish a Record of those Members who at any time, with the support of Commission funds, employs, either directly or indirectly, a person whom that Member knows to be a family member of that Member or of another Member.

Members are required to make a notification under Standing Order 3 within 8 weeks of taking the oath or affirmation or within 4 weeks of: the first occasion on which a family member receives a payment with the support of Commission funds; the date on which the employee becomes a family member of that Member or of another Member, or the date when the Member first becomes aware of the fact that the employee is a family member of that Member or of another Member.

Determination on Members' Expenses

The Determination on Members' Pay and Allowances 2014 states<sup>18</sup>:

 A Member may not claim Office Costs Allowance in respect of an office, or part thereof which is leased or rented from a family member, business partner or business associate

<sup>&</sup>lt;sup>17</sup> http://www.scottish.parliament.uk/msps/12453.aspx

<sup>18</sup> http://www.senedd.assembly.wales/documents/s29730/Determination%20on%20Members%20Pay%20and%20Allowances%2 0-%20August%202014.pdf

 A Member who rents or leases an office or part thereof from an organisation (including a trust in which the Member, or a family member, business partner or business associate of the Member, has a pecuniary interest) may not claim Office Cost Allowance in respect of the rent or lease of the office or part thereof unless the Members' Business Support team has agreed the proposal in advance of the agreement having been entered into.

• Approval may be given under paragraph 6.1.5 where the Member, family member, business partner or business associate has either a very small holding in a listed company or is a beneficiary of a major pension fund. The decision as to the size of a holding or a pension fund is at the discretion of the Members' Business Support team. Save that a Member, if dissatisfied with the decision made by the Members' Business Support team, may request that the matter be referred for a decision by the Chief Executive and Clerk in accordance with the procedure set out in paragraph 1.4.1<sup>19</sup>.

Are Members required to register any connected parties of other Members that they employ or who otherwise benefit from the Member's office expenditure?

See above information on Standing Order 3.

#### Is the information published?

The Record of the Employment of Family Members is maintained in the Table Office. It is open to public inspection in the Table Office itself during opening hours. Copies of individual entries may be made available on request.

#### 5 Oireachtas

The Ethics Acts in the Republic of Ireland provide a framework for the disclosure of interests by, among others, members of Dail Eireann and Seanad Eireann (SIPO). The website of the Standards in Public Offices Commission/ Coimisiún um Chaighdeáin in Oifigí Poiblí (SIPO) provides the following information on the disclosure requirements as they apply to Members:

Members of the Houses of the Oireachtas (Members) must furnish an annual statement of their registrable interests to the Standards Commission. These are then

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Any questions of entitlement to an allowance in accordance with this Determination are to be decided, in the first instance, by the Members' Business Support team, but a Member, if dissatisfied with the decision, may request that the matter be referred for a decision by the Chief Executive and Clerk. Before reaching a decision on any such question, the Chief Executive and Clerk may, if it is necessary or desirable to do so, seek clarification about the interpretation of this Determination from the Remuneration Board. In doing so, the Chief Executive and Clerk must avoid, so far as possible, disclosing the identity of the individual Member.

forwarded by the Standards Commission to the Clerk of the Dáil or Seanad, as appropriate. Each Clerk will then establish a register (known as the Register of Interests of Members of Dáil Éireann or the Register of Interests of Members of Seanad Éireann, as may be appropriate). A Member must also disclose any 'material interest' he/she, or a **connected person** might have in the proceedings of either House if they intend to vote or speak in such proceedings. Proceedings of the House include a Member's participation in a Committee of either House or a Joint Committee of the Houses. Disclosure of a material interest in proceedings is not required where that interest has already been disclosed in an annual statement of registrable interests of the Member which, or a copy of which, has been laid before the House<sup>20</sup>.

SIPO also provides the following definition of "connected person":

Any question as to whether a person is connected with another shall be determined in accordance with the following provisions (a determination that one person is connected with another person means also that the other person is connected with the first-mentioned person):

- a person is connected with an individual if that person is a relative of the individual ("relative", in relation to a person means a brother, sister, parent or spouse of the person or a child of the person or of the spouse;)
- a person, in his or her capacity as a trustee of a trust, is connected with an individual who or any of whose children or as respects whom any body corporate which he or she controls is a beneficiary of the trust,
- a person is connected with any person with whom he or she is in partnership,
- a company is connected with another person if that person has control of it or if that person and persons connected with that person together have control of it,
- any two or more persons acting together to secure or exercise control of a company shall be treated in relation to that company as connected with one another and with any person acting on the directions of any of them to secure or exercise control of the company<sup>21</sup>.

<sup>&</sup>lt;sup>20</sup> http://www.sipo.gov.ie/en/About-Us/Our-Policies/FOI-Manuals/Combined-Section-15-16-Manual/The-Ethics-Acts.html

<sup>&</sup>lt;sup>21</sup> http://www.sipo.gov.ie/en/About-Us/Our-Policies/FOI-Manuals/Combined-Section-15-16-Manual/The-Ethics-Acts.html