

Conflicts of Interest Policy

1. Introduction and Scope

- 1.1 This guide is for councillors and officers who will wish to ascertain whether they have an interest which should be declared under the Members' Code of Conduct or the Employee Code of Conduct.
- 1.2 This guidance is supplemental to both documents. Both councillors and officers are obliged to follow the Nolan Committee's Seven Principles of Public Life, namely:
 - a) You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
 - b) You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.
 - c) When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.
 - d) You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.
 - e) You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.
 - f) You must declare any private interests, both pecuniary and non-pecuniary, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out below.
 - g) You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.
- 1.3 Under the Members' Code of Conduct councillors are obliged to declare pecuniary interests and non-pecuniary interests (e.g. membership of outside bodies). However these formal definitions do not cover every possible conflict which could be encountered by councillors and this document provides additional guidance so that Members can meet their obligations under the Nolan Committee's Seven Principles.
- 1.4 Similarly, whilst the Employee Code of Conduct specifies matters which must be reported to their manager or the Chief Executive, not every eventuality can be covered and there is a category of "any other private interest, which you have, which you consider is likely to give rise to a conflict with the proper performance of any of your duties in this job".
- 1.5 This document provides further guidance with regard to what conflicts should be recorded by you in your work for the Council.

2. Conflicts of Interest

- 2.1 A conflict of interest is any situation in which your personal interests, or interests that you owe to another body or person, may (or may appear to) influence or affect your decision making.
- 2.2 It is inevitable that conflicts of interest occur. It is important to manage any situation where there is potential for criticism that your position or your decision has been influenced by conflicting loyalties. Even the appearance or perception of a conflict of interest could damage your and/or the Council's reputation, so conflicts need to be managed carefully.
- 2.3 It is the potential, rather than the actual benefit from which the conflict of interest arises which requires attention. In order to ensure selflessness and transparency, a declaration is required where there is a possibility of people outside the Council assuming that you (or a friend or relative) may have some benefit from the Council's business or decision making. This will avoid accusations of impropriety, which could subsequently have a damaging effect on the Council's reputation.
- 2.4 You should be careful where certain decisions arise. For example, a planning application is made by someone you know. If you are a planning officer then you should declare to your manager that this is the case. Then the manager can make an informed decision if you should continue to work on the case. If you are a councillor on the planning committee and the application is referred to the committee then the public will know that the relationship exists only if you declare it. In these cases, a timely declaration of an interest will assure members of the public that there is nothing untoward to be worried about and that you are acting beyond reproach.
- 2.5 Similarly if you take advantage of benefits that are available to all, or that are of inconsequential or of little measurable value, they will not normally need to be declared. E.g. you hire a village hall. This would not need to be declared, as the facilities are available to all members of the local community, which includes councillors and officers alike.
- 2.6 Issues may also arise where you have a conflict of interest or loyalties on a particular issue, but there is no potential for profit or advantage by any person. You should still make a declaration so that it is clear that a decision has been made correctly. For instance where you are a member of an outside body and the affairs of that body are raised at a meeting. For transparency all concerned should know about the link to that other body even if nothing in the debate or the decision particularly turns on the declaration.

3. Identification of Conflicts of Interest

- 3.1 Conflicts of interest may come in a number of different forms:
 - direct financial gain or benefit
 - the award of a contract to another organisation in which you (or a friend/associate or relative) has an interest and from which you (or they) will receive a financial benefit
 - indirect financial gain, such as employment by the Council of your spouse or partner
 - non-financial gain, such as when the Council's decisions or policies affect another organisation of which you are a member.

- 3.2 Where you have responsibility for engaging or supervising contractors, or have any other official relationship with them, you must declare any past or current relationship with them (including private, professional and/or domestic relationship) to your line manager or the Monitoring Officer in writing. You must ensure you do this prior to engaging the contractor in any future personal capacity and before any works are carried out.
- 3.3 The Council expects you to be able to identify possible conflicts of interest when they arise and to ensure, that you take advice and to make the appropriate declarations. If you are a member of staff then you can speak to your line manager, or the Monitoring Officer. If you are a councillor you can speak to the Monitoring Officer or the Chief Executive.

4. Managing Conflicts of Interest

- 4.1 You need to be aware of possible conflicts of interest which you might have and how you can minimise their effects. This can be achieved by being open and transparent about such situations when they arise. The Council therefore recommends that you declare any actual or potential conflicts of interest of which you are aware, as soon as they arise.
- 4.2 Where an interest is declared by officers they can discuss actions to be taken as a consequence with their line manager. It is advisable that a note is made of these arrangements in case of any future queries.
- 4.3 Where an interest is declared by a councillor then that interest will be noted by the Democratic Services Officer attending the meeting. At present Standing Orders of the Council only require the councillor to absent him/herself when a “Disclosable Pecuniary Interest” arises. Where any other conflict of interest arises it is for the councillor to declare that interest. The councillor may stay in the room, speak and vote on such matters. However if the councillor feels that this would lead to criticism in the particular circumstances then they are entitled to say that they wish to absent themselves from the room whilst the debate and vote proceeds without them.
- 4.4 The Council has established a register of interests – one for staff and one for councillors. In recording interests openly, any actual or potential conflicts of interest can be identified more easily. The relevant register of interests should be regularly updated.
- 4.5 It is good practice at the beginning of a meeting to declare any interest which you have in an item to be discussed, and certainly before any discussion of the item itself. Sometimes this is not possible because an issue arises during debate so that the interest can only be declared during the course of the meeting. In such a case, the Council expects the interest to be raised as early as possible.

5. Breach of the Policy

- 5.1 There are formal sanctions available to the Council for those who are in breach, dependant on the circumstances of the case. Officers can be subject to the disciplinary procedure, and councillors can be referred to the Standards Committee.