

Audit and Governance Committee



Report subject	Annual Review of Register of Declarations of Outside Interests and Receipts of Gifts & Hospitality by Officers (2019/20)
Meeting date	22 October 2020
Status	Public Report
Executive summary	<p>For the 2019/20 financial year, the first operating year of BCP Council, legacy Council Declaration of Interests, gifts and hospitality policies and procedures have been followed by officers.</p> <p>The BCP Council - Declaration of Interests, Gifts and Hospitality for Policy (for Officers) was introduced on 1st April 2020 and made provision for retrospective 'base' declarations dating back to the start of BCP Council, 1 April 2019.</p> <p>An effective corporate wide roll-out of the Policy has taken place and assurance can be provided that senior managers (tier4 officers and above) are complying with the requirements of the new Policy.</p> <p>There have been no internal or external identified instances, whistleblowing or reports by any other means where an undeclared interest has led to any disciplinary action or led to reputational damage.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>Audit & Governance Committee note the annual review of Register of Declarations of Outside Interests and Receipts of Gifts & Hospitality by Officers (2019/20).</p>
Reason for recommendations	To provide Audit & Governance Committee with assurance on the adequacy and robustness of the Councils arrangements for the declaration of interests, gifts and hospitality by officers.
Portfolio Holder(s):	Cllr Drew Mellor, Leader of the Council
Corporate Director	Graham Farrant, Chief Executive
Report Authors	<p>Nigel Stannard</p> <p>Head of Audit & Management Assurance</p> <p>✉ nigel.stannard@bcpcouncil.gov.uk</p>
Contributors	Simon Milne, Deputy Chief Internal Auditor
Wards	All
Classification	For Information

Background

1. For the 2019/20 financial year, the first operating year of BCP Council, legacy Councils' Declaration of Interests, Gifts and Hospitality policies and procedures were followed by officers.
2. A new BCP Council Declaration of Interests, Gifts and Hospitality Policy (for officers) was introduced on the 1st April 2020. This followed consultation with various stakeholders, including this Committee, on the adequacy and robustness of the draft Policy prior to being approved by Corporate Management Board. It should be noted that the new Policy made provision for retrospective declarations w.e.f. 1 April 2019, these are now known as 'base' declarations. Officers are now responsible for maintaining their 'base' declarations in as near to real-time as is practical, in other words officers will not be waiting to make declarations on say an annual basis.
3. The purpose of the Policy is to protect the Council and employees against conflicts of interest and allegations of impropriety. The public must be confident that decisions made by employees of whatever nature are made in the interests of BCP Council and the community it serves and are not influenced inappropriately by the interests of individual employees, their relatives or friends.

New BCP Declaration of Interests, Gifts and Hospitality Policy Implementation

4. An effective corporate wide roll-out of this Policy, incorporating management-led training, awareness and processes to ensure compliance, has taken place during the start of the 2020/21 financial year.
5. The Policy requires all senior officers, tier 4 officers (and above), to complete a 'Form 2' to proactively declare any potential interests and gifts & hospitality, 'nil returns are required'. These forms have to be submitted to the Monitoring Officer. The Monitoring Officer and the Head of Audit & Management Assurance consider the content and determine the appropriateness of any mitigations in place to manage any potential conflicts of interest. In instances where the mitigations are considered insufficient or inadequate this would be referred to the Chief Executive; there are no such referrals to date.
6. Currently 90 out of 94 (96%) of senior officers have completed and returned these forms to the Monitoring Officer. The four outstanding forms include some officers on maternity/sick leave. Therefore assurance can be provided that senior managers are complying with the requirements of the new Policy. Approximately 80% of the Form 2's are nil returns.
7. An example of a 'Form 2' has been provided (see Appendix A) to demonstrate the type of declarations being made (personal information has been redacted only for the purpose of sharing with this Committee).
8. For other officers, those less senior in the organisation below tier4, a 'Form 1' must be completed for any potential interests and gifts & hospitality but in these cases 'nil' returns are not required. These forms have to be submitted to the relevant Service Director who considers the content and determines the appropriateness of any mitigations in place to manage any potential conflicts of interest.
9. Internal Audit will be carrying out a review later this year to assess the awareness of the new Policy and adequacy of the completion of Form 1s by officers. Work will be targeted to high risk areas such as planning and procurement officers. The results of this work will be brought back to this committee.
10. It should be noted that certain professional bodies or organisations (e.g. in Accountancy, Internal Audit) require declarations to be maintained regardless of organisational policies by their members.

Declaration of Interests, Gifts and Hospitality Policy Enforcement and Sanctions

11. Employees must comply with the requirements of the Policy and any failure to do so is a disciplinary matter, and disciplinary action may be taken, regardless of whether the actions amount to a criminal offence.
12. During the 2019/20 financial year there have been no internal or external identified instances, whistleblowing or reports by any other means where an un-declared interest has led to any disciplinary action or led to reputational damage.

Options Appraisal

13. An options appraisal is not applicable for this report.

Summary of Financial Implications

14. There are no direct financial implications from this report.

Summary of Legal Implications

15. The Bribery Act 2010, makes it an offence for an employee to give advantage to someone in return for favours in relation to the Council's business.
16. Section 117 of the Local Government Act 1972 requires that employees notify the authority in writing of any direct or indirect financial interests which they have in any Council contracts, or proposed contracts, of which they become aware. Breach of Section 117 is a criminal offence subject to a fine.

Summary of Human Resource Implications

17. There are no direct environmental implications from this report.

Summary of Environmental Impact

18. There are no direct environmental implications from this report.

Summary of Public Health Implications

19. There are no direct public health implications from this report.

Summary of Equality Implications

20. There are no direct equality implications from this report.

Summary of Risk Assessment

21. There are no direct risk management implications from this report.

Background Papers

None

Appendices

Appendix A – Declaration of Interest, Gifts & Hospitality 'Form 2' Example

BCP Declaration of Interests, Gifts & Hospitality (for officers)

Internal access

<https://bcpcouncil.sharepoint.com/sites/Finance/Shared%20Documents/Forms/AllItems.aspx?id=%2Fsites%2FFinance%2FShared%20Documents%2FBCP%20Interests%20gifts%20and%20hospitality%20%20Policy%20V1%20from%201%20April%202020%2Epdf&parent=%2Fsites%2FFinance%2FShared%20Documents>