

AUDIT AND GOVERNANCE COMMITTEE



Report subject	Annual review of Declarations of Interests, Gifts and Hospitality by Officers for 2023/24
Meeting date	25 July 2024
Status	Public Report
Executive summary	<p>An annual review and update of the Council's Declaration of Interests, Gifts & Hospitality (for officers) Policy took place in March 2024 and the revised policy was approved by Audit & Governance Committee (7 March 2024).</p> <p>Some minor changes were made to the policy as part of the annual evolution including adding the need to confidentially store declarations as part of the responsibilities of Service Directors and the Monitoring Officer. A new In Year Minor Amendments and Editing Log was also added.</p> <p>Internal Audit are able to provide reasonable assurance, through the completion of an annual exercise, that officers have made appropriate declarations of interests, gifts and hospitality.</p> <p>There have been no internal or external identified instances, whistleblowing or reports by any other means where an undeclared interest by officers has led to any disciplinary action or led to reputational damage.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <ol style="list-style-type: none"> 1. Audit & Governance Committee note the annual review of Declarations of Interests, Gifts & Hospitality by Officers (2023/24). 2. Endorse the opinion of the Head of Audit & Management Assurance that the Policy is fit for purpose and that there was a good level of awareness and compliance in 2023/24.
Reason for recommendations	To provide Audit & Governance Committee with assurance on the adequacy and robustness of the Council's arrangements for the declaration of interests, gifts and hospitality by officers.
Portfolio Holder(s):	Cllr Mike Cox, Portfolio Holder for Finance
Corporate Director	Graham Farrant, Chief Executive
Report Authors	<p>Nigel Stannard Head of Audit & Management Assurance ✉ nigel.stannard@bcpCouncil.gov.uk ☎ 01202 128784</p>

Wards	Council-wide
Classification	For Information

Background

1. A new BCP Council Declaration of Interests, Gifts and Hospitality Policy (for officers) was introduced on 1 April 2020 and has thereafter been subject to annual evolutionary changes. Officers are responsible for maintaining their declarations in as near to real-time as is practical.
2. 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.
3. The Policy is a key building block where the Council and employees can demonstrably show awareness and compliance with the Nolan Principles, the seven principles of public life, namely selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
4. This report aims to provide Audit & Governance Committee with assurance on the adequacy and robustness of the Council's arrangements for the declaration of interests, gifts and hospitality by officers.

Annual Review of BCP Declaration of Interests, Gifts and Hospitality Policy

5. An annual review of the Council's Declaration of Interests, Gifts & Hospitality Policy took place in March 2024 and the revised policy was approved by Audit & Governance Committee (7 March 2024).
6. Some minor changes were made to the policy as part of the annual evolution as summarised below:
 - Responsibilities of Service Directors and Monitoring Officer – added need to confidentially store declarations received.
 - Added new In Year Minor Amendments and Editing Log.
7. A corporate communication on the updated Declaration of Interests, Gifts and Hospitality Policy along with other Finance Policies was issued to all staff including senior managers in April 2024.
8. Policy awareness for new employees is ensured through the formal induction process and the completion of mandatory training (in particular the Fraud Awareness module).
9. The Head of Audit & Management Assurance has continued to deliver bespoke training and questions and answer sessions on the Policy across Council services.

Internal Audit work on Declaration of Interests, Gifts and Hospitality

10. An annual exercise was carried out by Internal Audit to ensure that 'Form 2's' had been completed by all Tier 4 and above officers (as required by the Declaration of Interests, Gifts & Hospitality Policy). After some chasing of forms, it was determined that over 95% of senior officers had completed and returned the forms to the Monitoring Officer as required by the Policy. The outstanding forms relate to staff that are either new to the organisation or new to a senior officer (Tier 4 and above)

position. Internal Audit are liaising with these few remaining officers to ensure the forms are submitted to the Monitoring Officer.

11. As a result of a whistleblowing referral a management investigation was carried out into a potential conflict of interest for an officer regarding their BCP Council role and personal private work. Whilst a declaration had been made, and no impropriety was identified some further improvements were identified and implemented to ensure clear mitigating actions were put in place by management to manage the perceived potential conflict of interest. Further details of this investigation will be provided to the Audit & Governance Committee in October 2024 as part of the annual report on counter fraud work and whistleblowing referrals in 2023/24.
12. As reported last year, Internal Audit carry out work to review data matching results provided by the National Fraud Initiative on BCP Council employees (payroll data) matched to Companies House directors (which also includes payments made to those companies). This is a bi-annual exercise with the next set of data matching results due to be released in January 2025. The findings from this review will be provided to this committee at the next annual report in July 2025.

Declaration of Interests, Gifts and Hospitality Policy Enforcement and Sanctions

13. Employees must comply with the requirements of the Policy and any failure to do so is a disciplinary matter. Disciplinary action may be taken regardless of whether the actions amount to a criminal offence.
14. 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 during the 2023/24 financial year.

Overall opinion for 2023/24 and targeted training

15. It is the opinion of the Head of Audit & Management Assurance that the Policy is fit for purpose and there has been good compliance and awareness across the workforce. This opinion is made knowing that a small level of chasing was required by Internal Audit, when missing declarations were identified.
16. Ideally Internal Audit would not need to chase any missing declarations, training in 24/25 will be specifically targeted to recruiting officers who need to ensure new starters and existing staff recruited to new roles complete appropriate declarations.

Options Appraisal

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

Summary of Financial Implications

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

Summary of Legal Implications

19. 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.
20. 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

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

Summary of Environmental Impact

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

Summary of Public Health Implications

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

Summary of Equality Implications

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

Summary of Risk Assessment

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

Background Papers

None

Appendices

None