



AUDIT AND GOVERNANCE COMMITTEE



Report subject	Annual Review of Declarations of Interests, Gifts & Hospitality by Officers 2024/25
Meeting date	24 July 2025
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 February 2025 and the revised policy was approved by Audit & Governance Committee (27 February 2025).</p> <p>Some minor changes were made to the policy as part of the annual evolution including adding directorship as a business role example that requires declaring if there is a business relationship with the Council and clarifying employees should not accept gifts from an organisation the Council is receiving services from. In addition, guidance has been improved on accepting incidental promotional items and the definition of hospitality has been clarified. Finally, guidance has been added on the Council receiving and giving prizes.</p> <p>Internal Audit are able to provide reasonable assurance, through the completion of an annual exercise, that officers have generally made appropriate declarations of interests, gifts and hospitality with the exception of three officers who failed to declare other employment. Appropriate disciplinary action was taken. Further improvements to controls are planned to prevent recurrence.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>1. Audit & Governance Committee note the annual review of Declarations of Interests, Gifts & Hospitality by Officers (2024/25).</p> <p>2. Note 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 2024/25.</p>
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	Nigel Stannard Head of Audit & Management Assurance  nigel.stannard@bcpcouncil.gov.uk  01202 128784
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 February 2025 and the revised policy was approved by Audit & Governance Committee (27 February 2025).
6. Some minor changes were made to the policy as part of the annual evolution as summarised below:
 - Conflict of Interest - Added directorship as a business role example that requires declaring if there is a business relationship with the Council.
 - Gifts - Added wording to clarify employees should not accept gifts from an organisation the Council is receiving services from.
 - Gifts - Clarified and reordered guidance on accepting incidental promotional items with a value of less than £25.
 - Hospitality – Clarified definition of hospitality for this policy.
 - Sponsorship/Donations/Prizes - Added guidance on the Council receiving and giving prizes.
 - Appendix C (Forms) - Added link on how to edit PDFs in MS Word on Form 1 and Form 2.
7. A comprehensive review of the system for recording and storing individual officer declarations is scheduled for 2025/26. This initiative aims to enhance accessibility and facilitate efficient corporate oversight and insight.

8. A corporate communication on the updated Declaration of Interests, Gifts and Hospitality Policy along with other Finance Policies was issued to all staff, including a separate message to senior managers in April 2025.
9. Policy awareness for new employees is ensured through the formal induction process and the completion of mandatory training (in particular the Fraud Awareness module).
10. The Head of Audit & Management Assurance has continued to deliver bespoke training and questions and answer sessions on the Policy across Council services during 2024/25.

Internal Audit work on Declaration of Interests, Gifts and Hospitality

11. 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 100% of senior officers had completed and returned the forms to the Monitoring Officer as required by the Policy. The chasing of forms related to staff that were either new to the organisation or new to a senior officer (Tier 4 and above) position.
12. National Fraud Initiative data matching results in December 2024 identified three employees who were found to be working for two public bodies at the same time. As a result of further investigation by Internal Audit and management, two officers were dismissed and one officer resigned. None of the employees had declared the other employment as required by the Council's Declaration of Interests, Gifts & Hospitality Policy. A presentation on 'polygamous working' (when someone holds multiple full-time jobs without their employer's knowledge) was given to the Corporate Management Board in June 2024 along with options to improve controls to prevent recurrence. Further details of these investigations, including the on-going activity to seek to recover salary, will be provided to the Audit & Governance Committee in October 2025 as part of the annual report on counter fraud work and whistleblowing referrals in 2024/25.
13. Internal Audit also review data matching results provided by the National Fraud Initiative on BCP Council employees (payroll data) matched to Companies House Directors (which also includes creditor payments made to those companies) and also to general creditor payment data. Although no significant conflicts were identified from reviewing the results provided in January 2025, to improve transparency 23 new declaration of interest forms were created (in 9 of these cases the interest was known by line managers but not formally documented).

Declaration of Interests, Gifts and Hospitality Policy Enforcement and Sanctions

14. 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.
15. There were three officers who failed to declare other employment during 2024/25 which led to disciplinary action. Further improvements to controls are planned to prevent recurrence.

Overall opinion for 2024/25

16. It is the opinion of the Head of Audit & Management Assurance that the Declarations of Interests, Gifts and Hospitality Policy is fit for purpose and there has generally been good compliance and awareness across the workforce. This opinion is given with the understanding that a small level of chasing was required by Internal Audit for some missing declarations regarding new senior officer appointments.

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