

Committee(s)	Dated:
Establishment Committee	30/04/2019
Subject: Code of Conduct and Conflicts of Interest	Public
Report of: Director of Human Resources	For Decision
Report author: Carol Simpson – Human Resources, Town Clerk’s Department	

Summary

At the Establishment Committee of 9 July 2018, Members received a report detailing the Declaration of Interest process for Officers. A further report was presented on 29 October 2018 with revised guidelines on the Declaration of Interests and Register of Interests for Chief Officers and Senior Managers at Grades I and J to reflect the Members request that declarations made by these senior managers should mirror where possible the categories of declarations made by Members.

This report is for consideration and approval of revisions to the Code of Conduct and a separate Conflicts of Interest Policy. Previously the Declaration of Interest process sat within the Code of Conduct. This has enabled the Code of Conduct to focus on the principle standards and behaviours of Officers, whilst the separate Conflicts of Interests Policy provides a more comprehensive approach to matters pertaining to conflicts or potential conflicts.

Recommendation

Members are asked to approve the revisions to the Code of Conduct and the introduction of a new Conflicts of Interest Policy.

Main Report

Background

1. A comprehensive review of the Code of Conduct has not taken place since 2012. The most recent updates in 2018 related to the declaration of interest process for officers and senior managers in response to an internal audit; and to reflect legislative changes such as General Data Protection Regulation (GDPR).
2. Officers are bound by the City of London Corporation (City Corporation) Code of Conduct as employees and many aspects also apply to other workers including casual workers, agency workers and consultants¹. The Code sets out expectations in terms of their conduct both within the organisation and as a representative of the City Corporation.
3. A separate Conflicts of Interest Policy enables a more comprehensive overview of circumstances in order to prevent, counter or deal with actual or potential conflicts of interest. Albeit whether the interest is pecuniary or non-pecuniary, resulting in personal gain or benefit to an individual Officer or others.

¹ For relevant parts of the Code that relate to volunteers, these will be reflected in a Volunteers Guide.

Current Position

4. Upon reviewing the Code of Conduct this has provided the opportunity to draw out Officers obligations under existing terms and conditions of employment or engagement i.e. declaring criminal convictions in accordance with the DBS Code of Practice and driving offences during employment/engagement.
5. The Code of Conduct notably does not address the responsibility that all employees and other workers have to safeguard the welfare of children, young people and adults at risk, to report allegations or concerns.
6. The Code of Conduct does not provide sufficient depth to the complexity of the range of potential conflicts of interest across the City Corporation. To avoid ambiguity a stand-alone Conflicts of Interest Policy is warranted to ensure understanding, transparency and impartiality.

Proposals

7. The proposed Code of Conduct and Conflicts of Interest Policy share commonalities in regard to:
 - The implied duties serving the employer with good faith and fidelity.
 - The duty to report immediately circumstances that could reasonably be expected to impact on an individual's role (inside or outside of work).
 - To direct media enquiries to the Media Team for a response.
 - For Officers to periodically review the latest document versions (and any related documentation).
 - That substantive contraventions may result in disciplinary proceedings or appropriate action which could result in dismissal from employment or termination of engagement.
 - The City Corporation requirements around confidential information.
 - The need to report any impropriety or material breaches of procedure.

8. Code of Conduct

Clarifications made to the Code of Conduct (Appendix 1). The highlights are:

i. Conflicts of Interest

A summary of the most common areas in which conflict of interests may occur and the obligation to declare; and directing Officers to the Conflicts of Interest Policy for more detailed information.

ii. Criminal convictions and driving offences

Corresponding with Officers existing terms of condition of employment or engagement, the declaration of criminal convictions in accordance with the DBS Code of Practice and driving offences during employment/engagement.

iii. Relationships

Clarification that Officers who are also residents of the City Corporation are not precluded from appropriately raising matters with Members in relation to local matters in their own time. This is correspondingly reflected in the Conflicts of Interest Policy.

iv. Other Employment Matters

Employees/other workers occupying posts requiring registration with a statutory or professional body i.e. Social Workers; maintain their registration requirements and provide evidence to the line manager. They must also adhere to any duty to report to their line manager any matters with a bearing on their registration or membership.

v. Bribery, Corruption and Fraud

Clarification that employees and other workers must not act fraudulently, whether in relation to finances, resources or other assets such as seeking to claim entitlement to a government benefit or service by misrepresenting their true circumstances or falsification of records to secure a form of benefit whether financial or otherwise, albeit for themselves or others.

vi. Health and Safety and Wellbeing

Setting out the City Corporation's holistic and proactive approach to health, safety and wellbeing through the adoption of preventative measures to safeguard physical health and mental wellbeing.

vii. Safeguarding

Serving as a reminder that under the Safeguarding Policy it is the responsibility of all Officers whatever their role or service to safeguard the welfare of children, young people and adults at risk; and how to report allegations or concerns.

9. Conflicts of Interest Policy

The Conflicts of Interest Policy (Appendix 2) lifts the relevant sections on conflicts of interest from the existing Code of Conduct and provides a more comprehensive overview of what constitutes a conflict or potential conflict coupled with the administration of declarations.

Principle areas of clarification made:

i. Relationships

Clarification that employees' and other workers must not abuse their position of trust to access records relating to themselves, their close relatives or those with whom they have a close personal relationship and the appropriate process on how to request their own data.

ii. Secondary employment, running a business, or other outside commitments

A new requirement, where the City Corporation grants paid time off work to undertake public duties (for up to 12 days maximum in any year) under the Special Leave and Time Off Policy. Where a fee is gained, or allowance paid this will need to be paid to the City Corporation e.g. a tribunal panel member day rate fee, or financial loss shown in respect of a local councillor's annual allowance. However, where an employee elects to take annual leave or unpaid leave (as opposed to Special Leave with pay), this requirement does not apply. This requirement will correspondingly need to be reflected in the Special Leave and Time Off Policy.

iii. Procurement Activities and Contractors/Potential Contractors

A separate City Procurement, Contract and Tendering Declaration Form (Officers), is proposed to be used by employees and other workers involved in procurement activities at the start of each procurement exercise. This enables a separation of declarations non-procurement related and procurement related, in respect of processing personal data.

In addition, it is not acceptable for employees and other workers with buying responsibilities to use their own, relatives or friend's personal loyalty cards while making purchases on behalf of the City Corporation or service users.

iv. Circumstances to complete a Declaration of Interest Form

This section summaries the circumstances in which the majority of conflicts of interests will arise and declaration arrangements. Noting that senior managers (Chief Officers and senior managers at grades I and J) have a wider range of categories upon which to make declarations (Establishment Committee report, October 2018)².

v. Circumstances to complete a Register of Interest Form

Chief Officers will continue to complete a Register of Interest Form, which is reported to the Establishment Committee and becomes part of the public record, as named individual records are available in open committee papers.

For Senior Managers at Grades I and J, their declarations are not being made publicly available, so their disclosures will be encapsulated within the Declaration of Interest Form (Officers) and reviewed by the Director of HR and Town Clerk.

vi. Raising Concerns and Whistleblowing

Serving as a reminder to Officers of the ability to raise any concerns around misconduct or the lawfulness of any action or proposed action with the appropriate manager or Chief Officer at a local level; or alternatively use the Whistleblowing Policy where there's a need to raise the issue outside the management chain.

10. Compliance and monitoring

Each Chief Officer oversees the annual Declaration of Interest notification reminder process³ within their department. Whereas Corporate HR / HR Contact will issue the Declaration and Register of Interest Form for new starters at the conditional offer stage of recruitment or as a result of a promotion or change of role. It is planned to keep a record of declarations in CityPeople Managers' self-service in due course to enable global level reporting and monitoring of compliance.

11. Consultation

Consultation has been undertaken with the City Corporation's recognised trade unions, these being Unite and the GMB; and the Senior Managers Group representatives for senior management.

12. Communications

The intranet HR Topics section will be a point of reference for both staff and managers to locate instructions and guidance related to declarations of interest, including Declaration and Register of Interests FAQs (Appendix 3).

An annual communications campaign, endorsed by the Town Clerk, will be undertaken to raise general awareness to promote compliance.

² However, senior managers unlike Members will not be required to make declarations in respect of their spouse, civil partner, or person living as such as it would be disproportionately intrusive to request the same information for Officers where there is no legislative requirement for them to do so.

³ The office of the Director of HR co-ordinates Chief Officers' Declarations of Interest process.

13. Conclusion

The public is entitled to demand conduct of the highest standard. City Corporation employees have an obligation to avoid conflicts between their private interests and their duty to the City Corporation, particularly where this could result in a detrimental outcome or in any way weaken public confidence.

Appendices

- Appendix 1 - Code of Conduct
- Appendix 2 - Conflicts of Interest Policy
- Appendix 3 - Declaration and Register of Interests FAQs

Background Papers

- Declarations of Interest, Establishment Committee, 09/07/2018
- Declaration of Interests and Register of Interests: Chief Officers and Senior Managers at Grades I & J, Establishment Committee, 29/10/2018

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