

<b>Committee(s)</b>	<b>Dated:</b>
Establishment Committee	09/07/2018
<b>Subject:</b> Declaration of Interests	<b>Public</b>
<b>Report of:</b> Director of Human Resources	<b>For Decision</b>
<b>Report author:</b> Carol Simpson – Human Resources, Town Clerk's Department	

### **Summary**

This report is for consideration and approval of revisions to the Officers' Declaration of Interest process, such declarations sit within the Code of Conduct.

### **Recommendation**

Members are asked to approve the revisions to the declaration of interest process within the Code of Conduct including a refreshed declaration form (Appendices 1 and 2). A further report will be made to the Committee in relation to Guidelines for the Chief Officer Register of Interests and any proposal to include other senior officers.

### **Main Report**

#### **Background**

1. A review of the Declaration of Interest process has been prompted following an internal audit and to reflect legislative changes such as General Data Protection Regulation (GDPR). The Declaration of Interest process was last reviewed by the Committee in December 2012.
2. Officers are bound by the City of London Corporation (City Corporation) Code of Conduct for Employees. According to this, employees must declare to their Chief Officer, any financial or non-financial interests that could bring about a conflict of interest with the City Corporation's interests.

#### **Current Position**

3. Officer guidance could be clearer as to which categories of staff should complete a declaration and how frequently.
4. There are different types of declarations to be disclosed in the Code of Conduct by different methods, therefore to avoid ambiguity and ensure compliance, this should be clarified.

5. The Declaration of Interest Form does not currently have space to record comments and recommended actions, when making a decision as to the acceptability or not of the disclosure made; and whether any conflict could be mitigated with any adjustments.

## **Proposals**

6. The section in the Code of Conduct (attached at Appendix 1) on Standards has been updated to provide clarity on what constitutes a conflict of interest and sets out the various methods to make the different types of declarations required within the Code of Conduct. Changes are shown in bold font within the Code.
7. The proposed new section, Disclosure of Information sets out when to complete and who should complete a Declaration of Interest Form (attached at Appendix 2). The form is required to be completed and submitted to the department's Chief Officer i.e.:
  - i. On joining the City Corporation (or taking up a promotion/new role, where applicable) and annually thereafter, for the following categories of staff: Chief Officers; Sourcing, Category Management and Commercial staff within City Procurement; all staff within City Surveyors and Internal Audit.
  - ii. At each contract placement by staff involved in the evaluation and recommendation of contractors to Committee; each time they evaluate, recommend or place a contract.
  - iii. As required for all other staff and relevant workers i.e. external consultants and agency workers; to declare conflicts or potential conflicts of interests as soon as they arise.
8. Additionally, a new declaration should be made as soon as circumstances change, or new interests arise.
9. Where a staff member holds interests but cannot see potential conflict, caution is advisable; all interests should be declared where there is a risk of improper conduct.
10. The second new sub-section under Disclosure of Information relates to the issue, return and review of the Declaration of Interest Form; this sets out the process of review and monitoring of compliance for declarations.
11. A new section on Data Protection has been included to reflect the recent changes under the General Data Protection Regulation and the Data Protection Act 2018.
12. We have also taken this opportunity to add to the Corruption and Bribery section confirmation for employees of how to raise concerns about the lawfulness of certain actions i.e. to the appropriate manager or Chief Officer without delay or under the Whistleblowing Policy where they feel the need to raise an issue outside of the management chain.

## **Compliance and monitoring**

13. All completed Declaration of Interests Forms are returned to the employee's Line Manager who will review and provide relevant comments on the implications of any declarations. The Line Manager is responsible for submitting the Declaration of Interests Form to the department's Chief Officer promptly to review. In relation to contract placement by staff, these will be forwarded to the Commercial Director – City Procurement for any views on the potential risk and impact prior to the relevant Chief Officer's consideration.
14. A Chief Officer's Declaration of Interests Form would need to be approved by their employing Committee and the Establishment Committee through the Town Clerk. The Chief Officer/Committees will assess the potential risk and impact of any declaration and then either confirm that the declaration made is acceptable with or without any recommendations to mitigate any potential conflict of interest; or state that the declaration is not considered to be acceptable. Depending on the recommendation this will be acted on accordingly.
15. To maximise compliance levels, the New Employee Induction Checklist includes a prompt on the requirement to make a Declaration of Interest in specified circumstances. Similarly where staff are promoted or move to a new role the template appointment letters will include declaration prompts where applicable. The City Corporation's Procurement Code stipulates a declaration must be undertaken when Officers are engaged in procurement activities.
16. 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.

## **Communications/Implementation**

17. The intranet HR Topics section will be a point of reference for Managers to locate instructions and guidance related to declarations of interest.
18. For Chief Officers and other staff obligated to carry out an annual declaration, Human Resources will send out reminders to Chief Officers. Within their department Chief Officers may wish to issue further guidance specifically relating to their service requirements, these will supplement but not contradict the basic principles contained in the Code of Conduct.
19. An annual communications campaign, endorsed by the Town Clerk, will be undertaken to raise general awareness to promote compliance.

## **Conclusion**

20. 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. The revisions outlined in this report reflect changing legislative requirements as well as

21. strengthening the process to make it more robust and to clarify processes for both managers and staff.

## **Appendices**

- Appendix 1 – Code of Conduct
- Appendix 2 – Declaration of Interest Form (Officers)

## **Background Papers**

Staff Declaration of Interests and the Bribery Act, Establishment Committee,  
12.12.2012

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