

Conflict of Interests Guidance for Councillors

NOTIFICATION OF INTERESTS

1.1 In addition to the disclosable pecuniary interests notifiable under the Localism Act 2011, you must, within 28 days of—

- (a) this Code being adopted by or applied to your authority; or
- (b) your election or appointment to office (where that is later),

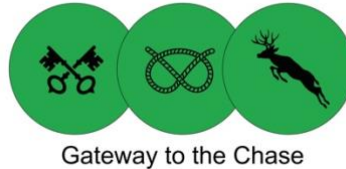
notify the Monitoring Officer in writing of the details of your other personal interests, where they fall within the following descriptions, for inclusion in the register of interests.

1.2 You have a personal interest in any business of your authority where either—

- (a) it relates to or is likely to affect—
 - (i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
 - (ii) any body—
 - (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;

(b) a decision in relation to that business might reasonably be regarded as affecting your wellbeing or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of council tax payers, ratepayers, or inhabitants of the electoral ward affected by the decision 1.3 A relevant person for the purpose of this Code is—

- (a) a member of your family or any person with whom you have a close association;
- or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
 - c) any body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
 - (d) any body of a type described in paragraph 1.2(a)(i) or (ii).



1.4 You must, within 28 days of becoming aware of any new interest or change to any interest registered under paragraph (1), or as a disclosable pecuniary interest notify the Monitoring Officer of the details of that new interest or change.

2 DISCLOSURE OF INTERESTS

2.1 Subject to sub-paragraphs (2) to (5), where you have a personal interest described in paragraph 1 above or in paragraph (2) below in any business of your authority, and where you are aware or ought reasonably to be aware of the existence of the personal interest, and you attend a meeting of your authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

2.2 You have a personal interest in any business of your authority where a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward affected by the decision;

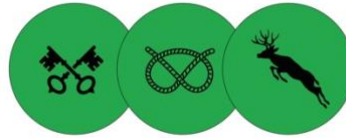
2.3 Where you have a personal interest in any business of your authority which relates to or is likely to affect a body described in paragraph 1(2)(a)(i) or 1(2)(a)(ii)(aa), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business. 2.4 Where you have a personal interest but, by virtue of paragraph 4, sensitive information relating to it is not registered in your authority's register of June 2012 Page 7 members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.

2.5 Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.

2.6 VOLUNTARY AND THIRD SECTOR INTERESTS

When members are involved in voluntary and third sector bodies the issue of conflicts can arise, and it is not a matter for which there is adequate provision in standard code of conduct documents. Although there are some provisions within the Localism Act in relation to predetermination, the Committee on Standards in Public Life do not consider that it is adequately dealt with in the context of ethics. The purpose of this section is to provide Members with confidence that they understand what is expected of them, particularly where the application of principles may not be self evident. "Voluntary organisation" in this context is defined as an organised group, with or without a constitution, but with a clearly defined activity, aim or cause, whether focused locally, regionally, nationally or internationally.

- a. Your position as a member of the local authority provides you with certain opportunities, responsibilities, and privileges, and you make choices that will impact others. You should not take, or appear to take, advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly



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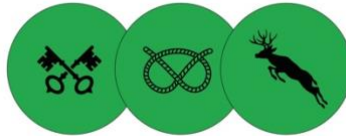
- b. You must not make representations at a Council meeting on behalf of a voluntary or third sector organisation in which you have an interest unless you have approached Council through a channel that is available to any other organisation or member of the public
- c. You must not use your role as a Councillor to secure, or attempt to secure, Council support, funding or resources for a voluntary or third sector organisation in which you have an interest unless through a channel that is open to any other organisation or member of the public
- d. You must not make use of Council facilities or resources to conduct business for a voluntary or third sector organisation in which you have an interest, unless approved through established channels open to other organisations. Examples include, but are not limited to::
 - officer support
 - stationery
 - equipment such as phones, and computers
 - access and use of local authority buildings and rooms
 - access to Council data and information

These are provided to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use

2.7 Managing voluntary and third sector interests

Where a conflict exists you have three options of managing the conflict, determined by the individual circumstances of the conflict. Questions of materiality are to be referred to the Proper Officer.

- a. The conflict is noted but is not material and you can fully participate in the agenda item including voting on the item in the event a vote is called (e.g. if you support a group, attend meetings/activities but have no decision-making or officer post within the organisation, or a subscription member of a national organisation)
- b. The conflict is noted and any outcome may have an indirect beneficial benefit to a group or organisation, however you have held no decision-making role or officer post within the organisation within the last 12 months and commit that this will continue for at least another 12 months, where this changes the decision may be reviewed by non-conflicted Councillors. In these circumstances you may contribute to the debate but must abstain from any vote should one be called (e.g. if you are more active with a group than specified above but do not hold formal decision making or officer roles).
- c. The conflict is noted and any outcome will materially impact on the organisation or group directly, you have decision-making powers, or hold a recognised officer post or have done so within the last 12 months. It is further understood that if a Councillor takes an officer role or assumes decision making responsibilities for an organisation during the 12 months following a decision at



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- d. Council this would be reported to the Proper Officer and a review of the decision would be undertaken. In these circumstances you have two options
- i. you withdraw from the meeting completely for this Agenda item and a colleague from the organisation can make any representations on behalf of the organisation to the Council (the same courtesy would be extended to any organisation by permission of the Chair of the Meeting). Where this is not possible for reasons agreed with the Proper Officer, then
 - ii. you may present a factual report to the Council meeting, receive and answer any immediate questions of Councillors and subsequently withdraw from the meeting at that point for the remainder of the Agenda Item

2.8 It is good practice raise any potential conflict with the Proper Officer in advance of the meeting to give the Proper Officer time to consider any perceived conflict in good time and with all information at hand including seeking advice from SPCA, NALC or the Monitoring Officer at CCDCC.

2.9 If a potential conflict is not raised and resolved before the meeting and materialises during the meeting, the presumption course of action would be following route “c” above and the Councillor must withdraw from the whole item as a matter of caution to safeguard the individual and the Council. It should also be noted that a potential conflict may become evident through the course of the discussion on an agenda item and we expect Councillors to highlight this immediately that they suspect this to be the case and a decision made by the Chair of the meeting with advice from the Proper Officer as to the best course of action following the principles outlined above

3 REGISTER OF INTERESTS Any interests notified to the Monitoring Officer will be included in the register of interests. A copy of the register will be available for public inspection and will be published on the authority’s website.

4 SENSITIVE INTERESTS Where you consider that disclosure of the details an interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have an interest, the details of which are withheld.

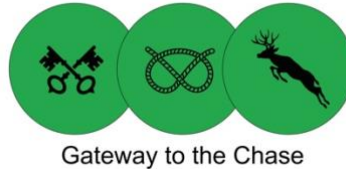
5 NON PARTICIPATION IN CASE OF PECUNIARY INTEREST

5.1 Where you have a personal interest in any business of your authority you also have a pecuniary interest in that business where the interest is one which:

(a) affects the financial position of you or a relevant person; or

(b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any relevant person; and a member of the public with knowledge of the relevant facts would reasonably regard the interest as so significant that it is likely to prejudice your judgement of the public interest.

5.2 Subject to paragraph 5.3 and 5.4, where you have a pecuniary interest in any business of your authority—



a) You may not participate in any discussion of the matter at the meeting. June 2012 Page 8
 b) You may not participate in any vote taken on the matter at the meeting.

c) If the interest is not registered, you must disclose the interest to the meeting.

d) If the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days. 5.3 Where you have a pecuniary interest in any business of your authority, you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise and you leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

5.4 Subject to you disclosing the interest at the meeting, you may attend a meeting and vote on a matter where you have a pecuniary interest that relates to the functions of your authority in respect of—

(i) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;

(ii) an allowance, payment or indemnity given to members;

(iii) any ceremonial honour given to members; and

(iv) setting a precept under the Local Government Finance Act 1992. . June 2012 Page

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DISCLOSABLE PECUNIARY INTERESTS This is not part of the Code of Conduct but is an explanation of the law on Disclosable Pecuniary Interests under the Localism Act 2011. Breach of these provisions is not dealt with as a breach of the Code of Conduct but by the criminal law. Breaches of the law may also be breaches of the Code of Conduct and if no action is taken under the criminal law action may be taken on the breach of the Code. This note explains the requirements of the Localism Act 2011 (Sections 29-34) in relation to disclosable pecuniary interests. These provisions are enforced by criminal sanction. They come into force on 1 July 2012.

1. Notification of disclosable pecuniary interests Within 28 days of becoming a member or co-opted member, you must notify the Monitoring Officer of any 'disclosable pecuniary interests'. A 'disclosable pecuniary interest' is an interest of yourself or your partner (which means spouse or civil partner, a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners) within the following descriptions: Interest description Employment, office, trade, profession or vocation Any employment, office, trade, profession or vocation carried on for profit or gain. Sponsorship Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided June 2012 Page 10 within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour



Relations (Consolidation) Act 1992. Contracts Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—

(a) under which goods or services are to be provided or works are to be executed; and

(b) which has not been fully discharged. Land Any beneficial interest in land which is within the area of the relevant authority. Licences Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.

Corporate tenancies Any tenancy where (to M's knowledge)—

(a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest. June 2012 Page 11 Securities Any beneficial interest in securities of a body where—

(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and

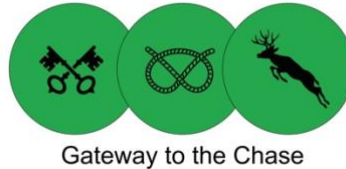
(b) either—

(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class. These descriptions on interests are subject to the following definitions; "the Act" means the Localism Act 2011; "body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society; "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means the person M referred to in section 30 of the Act which reads; 30 Disclosure of pecuniary interests on taking office June 2012 Page 12

(1) A member or co-opted member of a relevant authority must, before the end of 28 days beginning with the day on which the person becomes a member or co-opted member of the authority, notify the authority's monitoring officer of any disclosable pecuniary interests which the person has at the time when the notification is given.

(2) Where a person becomes a member or co-opted member of a relevant authority as a result of re-election or re-appointment, subsection (1) applies only as regards disclosable pecuniary interests not entered in the authority's register when the notification is given.



(3) For the purposes of this Chapter, a pecuniary interest is a “disclosable pecuniary interest” in relation to a person (“M”) if it is of a description specified in regulations made by the Secretary of State and either—

(a) it is an interest of M's, or (b) it is an interest of—

(i) M's spouse or civil partner, (ii) a person with whom M is living as husband and wife, or (iii) a person with whom M is living as if they were civil partners, and M is aware that that other person has the interest.

(4) Where a member or co-opted member of a relevant authority gives a notification for the purposes of subsection

(1), the authority's monitoring officer is to cause the interests notified to be entered in the authority's register (whether or not they are disclosable pecuniary interests). “member” includes a co-opted member; “relevant authority” means the authority of which M is a member; “relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) of the Act; “relevant person” means M or any other person referred to in section 30(3)(b) of the Act; securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and June 2012 Page 13 Markets Act 2000() and other securities of any description, other than money deposited with a building society.

2. Register of interests Any interests notified to the Monitoring Officer will be included in the register of interests. A copy of the register will be available for public inspection and will be published on the authority's website.

3. Sensitive interests Where you consider that disclosure of the details of a disclosable pecuniary interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have a disclosable pecuniary interest, the details of which are withheld under Section 32(2).

4. Non participation in case of disclosable pecuniary interest A) If you are present at a meeting of the authority, or any committee, sub-committee, joint committee or joint sub-committee of the authority, and you have a disclosable pecuniary interest in any matter to be considered or being considered at the meeting,

1. You may not participate in any discussion of the matter at the meeting.

2. You may not participate in any vote taken on the matter at the meeting.

3. If the interest is not registered, you must disclose the interest to the meeting.

4. If the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days. Note: In addition, Standing



Order X requires you to leave the room where the meeting is held while any discussion or voting takes place. June 2012 Page 14 B) Where an executive member may discharge a function alone and becomes aware of a disclosable pecuniary interest in a matter being dealt with or to be dealt with by her/him, the executive member must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter.

5. Dispensations The authority may grant you a dispensation, but only in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

6. Offences It is a criminal offence to

- Fail to notify the Monitoring Officer of any disclosable pecuniary interest within 28 days of election
 - Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register
 - Fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting
 - Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest
 - As an executive member discharging a function acting alone, and having a disclosable pecuniary interest in such a matter, failing to notify the Monitoring Officer within 28 days of the interest.
 - Knowingly or recklessly providing information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting
- The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.