

Conflict of Interest Policy

Introduction

Paulton Parish Council (PPC) is a body corporate under the powers of the Local Government Act 1972. Its Councillors and Staff Members have a duty to promote and defend the best interests of PPC at all times in accordance with the Measure.

This policy covers how PPC will manage the interests of its Councillors and Staff, and any conflict between them and the objects of PPC.

It does not matter how a Councillor/Staff member is appointed. Whilst they are a member of PPC they have a duty to the parish and its Council, and this must take precedence. Conflicts of interest may arise where the interests of Councillors/staff members or “connected persons” (e.g. their family or close colleagues) are incompatible or in competition with the interests of PPC.

A conflict of interest is any situation in which a Councillor/Staff member’s personal interests, or interests which they owe to another body, and those of PPC arise simultaneously or appear to clash.

Such clashes may create problems; they can:

- Inhibit free discussion
- Result in actions or decisions that are not in the interests of PPC
- Risk the impression that PPC has acted improperly

What types of interests need to be declared?

There are many different types of conflict of interest; the three most common are:

- **Direct Financial Conflict of Interest** – where a Councillor is acting as a consultant or paid adviser for PPC. Or where PPC engages the services of a company where a Councillor/staff member is employed, is a director or shareholder. Or where land is sold to or used by a Councillor/staff member. Or where a Councillor/staff member grants loans to a Council.
- **Indirect Financial Conflict of Interest** – where financial benefits accrue to a close member of the Councillor’s/staff member’s family, a friend, business partner, employer or colleague of a Councillor/staff member.
- **Non-Financial Conflicts of Interest** – where there may be a conflict of interest (often referred to as a conflict of duty or loyalty) should a Councillor/staff member have another appointment or be associated in some way with another agency or organisation operating in the same area of work as PPC or providing PPC with services or grant funding.

In all the above situations it is up to the Councillor/staff member to determine whether their involvement in a matter relating to a third party represents a potential conflict of interest and should therefore be declared. If the Councillor/staff member is not sure what to declare, or whether and when a declaration needs to be updated, they should err on the side of caution.

How to Declare an Interest

In the normal course of events, Councillors/staff members would not be expected to receive gifts. This policy is designed to address the rare circumstances in which they may be offered.

Councillors are asked to declare their interests in addition to any gifts or hospitality received in connection with their role as Councillor in PPC. Any gifts or hospitality offered over £100 should be refused. A Declaration of Interests form is provided for this purpose via the Council Clerk. The context of accepting a gift is relevant, for example, accepting a leaving gift of less than £100 in value would not give rise to a conflict of interest.

Interests should be declared at the beginning of a meeting when a relevant matter is on the agenda or as soon as the interest becomes apparent. There are four occasions when a Councillor's personal interests are likely to come into conflict with those of the Council and should be declared.

- **At Their First Meeting:** Every new Councillor will be asked to complete a Declaration of Interests Form.
- **Annually:** after each AGM and prior to the first subsequent Council meeting, Councillors will be asked to review their Declaration of Interests Form and either update it or confirm that it is still correct.
- **When any significant changes take place:** Staff members should notify their line-manager or the Chairman of PPC as soon as they are known. Councillors should notify the Council Clerk of all changes or additions as soon as they are known. New matters should not wait until an annual declaration is made before being notified.
- **Verbally at any Council meeting:** where specific relevant conflicts or potential conflicts may arise. At the start of each Council meeting the Chair will ask for any declarations relevant to the agenda to be made known. Councillors should also raise the matter during the course of the meeting as soon as a potential conflict arises.

If a Councillor fails to declare an interest that is known to the Clerk and/or the Chair of the meeting, the council Clerk or Chair will declare that interest.

Register of Interests

The Declaration of Interests form will be used as the basis for recording a Councillor's interests and gifts or hospitality received on PPC's Register of Interests, which is held by the Monitoring Officer at Bath & North East Somerset Council.

The information provided by Councillors will be processed in accordance with data protection principles as set out in the Data Protection Act 1998. Data will be held only to ensure that Councillors act in the best interests of PPC. Information provided to the Council will not be used for any other purpose.

Councillors naming a third party as a Connected Person on their declarations shall ensure that they have permission from that individual to pass personal data about that individual to PPC. If there is a problem with obtaining consent, please contact the Monitoring Officer.

Procedure for dealing with conflicts of interest

Councillors/staff members should declare their interest at the earliest opportunity through the mechanisms identified earlier in the Policy.

Where conflicts of interest arise and the interest relates to a matter under discussion, the Councillor or PPC itself must decide whether the interest:

- Category (a) – is trivial and does not create a real danger of conflict of interest or bias or the appearance of bias;
- Category (b) – does not create a real danger of conflict of interest or bias, but might reasonably cause others to think it could influence a decision;
- Category (c) – creates a real danger of conflict of interest or bias (that is, the interest affects them, or a person or business connected to them, more than the generality affected by the decision).

Generally, PPC will deal with conflicts as follows. In the event that the interest falls into:

- Category (a), if the declared conflict is judged to be trivial by the other Councillors (who do not themselves have an interest in the matter), the Councillor may vote.
- Category (b), it shall be at the discretion of the other Councillors (who do not themselves have an interest in the matter) whether the Councillor may remain in the meeting, but the Councillor must not participate in the discussion, or vote, on the matter.
- Category (c), the Councillor must leave the meeting, not participate in the discussion, or vote, on the matter.

The decision as to how the conflict of interest is to be dealt with must be set out by PPC. A resolution may deem other steps to be taken, for example, requiring information to be kept confidential or other undertakings to be given by the Councillor.

Councillors and PPC should endeavour to ensure that a Councillor with a conflict of interest under Category (c) is not provided with information in that capacity which enables them to obtain any advantage. In particular, the person who is responsible for sending information to the Councillors prior to a Councillor meeting may check the Register of Interests and take any other reasonable steps to ensure that no information is sent to a Councillor who may have a conflict of interest relating to that information.

Where a Councillor faces persistent or critical conflicts of interest, the Council will need to consider whether withdrawing and not voting is sufficient, or should they need to resign.

This policy will be reviewed at intervals or in line with any changes in legislation.

Date first adopted: June 2023

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