

# **Cherwell District and South Northamptonshire Councils**

## **Joint Commissioning Committee**

**15 September 2016**

<p><b>Protocol on the Respective Roles of Members and Officers and Dealing with Conflicts of Interest and Ethical Walls Procedure</b></p>
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### **Joint report of Head of Law and Governance and Assistant Director - Transformational Governance**

This report is public

#### **Purpose of report**

To consider the updated protocol on roles and conflicts of Interest and Ethical Walls procedure and recommend its adoption to both full councils.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To consider and recommend to both full councils the adoption of the updated Protocol on the Respective Roles of Members and Officers and Dealing with Conflicts of Interest and Ethical Walls Procedure.

#### **2.0 Introduction and Report Detail**

- 2.1 When Cherwell District Council and South Northamptonshire Council first proposed shared working and joint officer posts it was a recommendation from the South Northants auditor that a protocol was adopted on the respective roles of members and officers and dealing with conflicts of interest, to ensure that the position and sovereignty of each council was understood and protected. A protocol was adopted by both councils and has provided a useful reference document for officers. Subsequently it was realised that the councils would also benefit from an ethical walls procedure. A procedure was introduced at the officer level and is activated if there is a conflict or potential conflict between the two councils where it is necessary to ensure that both councils receive independent officer advice and the position of both council is not compromised. The policy has been used on at least one occasion, this was with regard to Banbury Site 15 (Junction 11, M40) of Cherwell's proposed Local Plan, where South Northamptonshire objected to the proposed land usage. The procedure was successfully implemented and the position of neither local authority was compromised at the planning inquiry.

The protocol and procedure were again updated and amended when a further Section 113 agreement was signed with Stratford-on-Avon District Council.

Since the creation of both the protocol and procedure there have been changes to governance arrangements with a number of council owned/influenced companies /organisations either in operation or planned to be brought into operation. Due to officer appointments to the board of directors conflicts and potential conflicts are much more common and so far it has been necessary to implement ethical walls for Graven Hill and Cherwell Community Build.

Therefore both the protocol and procedure need to be amended to reflect these new relationships. Additionally as members are being appointed to the boards of these new entities they could also find themselves in a position of conflict or potential conflict and amendment is needed to ensure that the protocol and procedure also protect elected members.

Given the end of the Section 113 arrangements with Stratford-on-Avon District Council, the new governance arrangements and the need for the protocol and procedure to cover elected members they have been revised and are set out in Appendices 1 and 2 for the committee to consider and adopt.

### **3.0 Conclusion and Reasons for Recommendations**

- 3.1 The proposals in this report are designed to ensure that the councils have in place appropriate safeguards for the councils, members, officers and council owned/influenced companies/organisations.

### **4.0 Consultation**

- 4.1 Both the Protocol on Roles and Conflicts of Interest and Ethical Walls Policy have been in operation at the Councils for some years. As they have been used feedback has been taken and updates made in light of the experience using them.

### **5.0 Alternative Options and Reasons for Rejection**

- 5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To agree the recommendations as set out in the report

Option 2: To amend the recommendations as set out in the report

Option 3: To reject the recommendations as set out in the report. This is not recommended, as the protocol and policy will not be applicable to current position of the councils and will pose risk to the councils through accommodating the emerging council owned/influenced companies/organisations.

## 6.0 Implications

### Financial and Resource Implications

- 6.1 There are no financial implications arising from this report.

Comments checked by: Paul Sutton, Chief Finance Officer - 0300 003 0106  
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### Legal Implications

- 6.2 This is a joint report and the Head of Law and Governance has been fully involved in the preparation of the report and all legal implications are contained in the report.

Comments checked by: Kevin Lane, Head of Law and Governance – 0300 0030107  
[kevin.lane@cherwellandsouthnorthants.gov.uk](mailto:kevin.lane@cherwellandsouthnorthants.gov.uk)

### Risk Implications

- 6.3 The proposals set out in this report mitigate risk to the officers, members, councils and council owned/influenced companies/organisations through ensuring that appropriate ethical walls are in place.

Comments checked by: Ed Bailey Corporate Performance Manager - 01295 221605  
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## 7.0 Decision Information

### Key Decision

**Financial Threshold Met: No**

**Community Impact Threshold Met: No**

### Wards Affected

All

### Links to Corporate Plan and Policy Framework

None directly

### Lead Councillor

Councillor Ian McCord, Leader of the Council, SNC  
Councillor Barry Wood, Leader of the Council, CDC

## Document Information

<b>Appendix No</b>	<b>Title</b>
Appendix 1	The Respective Roles of Members and Officers and Dealing with Conflicts of Interest
Appendix 2	Ethical Walls Procedure
<b>Background Papers</b>	
None	
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