

Council

Protocol for dealing with conflicts of interest

18 May 2011

Report of Interim Head of Legal and Democratic Services

PURPOSE OF REPORT

To consider , amend as necessary, and adopt a protocol which sets out the roles of officers and members and procedures for dealing with conflicts of interest arising out of the appointment of shared senior management posts serving both authorities

This report is public

Recommendations

The Joint Arrangements Steering Group has considered and recommends that Council:

- (1) Consider the attached protocol for dealing with the role of officers and members, and the proposed routes for dealing with possible conflicts of interest
- (2) Agree that the protocol be adopted as part of the constitution of Cherwell District Council with immediate effect

Executive Summary

Introduction

- 1.1 The Agreement under section 113 of the Local Government Act 1972 entered into by South Northamptonshire Council and Cherwell District Council on 9 December 2010 stipulated that a protocol to deal with “conflicts of interest of individual officers in the shared senior management team, and the roles of individual officers in the shared senior management team in providing advice to the Councils jointly and separately”, should be in place within six months of the 9 December 2010.
- 1.2 There are a number of issues arising from the sharing of a senior management team. One of these is the capacity of the shared officers to support the processes, and expectations, of each authority, which can be very different. Another is that there can be conflicts of interest between the two authorities. The shared senior management team will need to recognise these

conflicts. An agreed process for resolving those conflicts should assist all members and officers.

Proposals

- 1.3 The starting point for this protocol has been to set out the statutory roles of officers and members.
- 1.4 We have then tried to envisage where problems might arise and suggest the best route for resolving the situation as quickly and effectively as possible. The important point is that all members and officers understand the potential for conflict, and recognise the need to deal with it. All members and officers need to respect the position of the shared senior management team who will be potentially caught in the middle and looking for guidance on an agreed way forward.

Conclusion

- 1.5 Although it has not been possible to find precedents for this (which does not mean they do not exist) it is clear from discussions with authorities further down this route that it can be an issue.
- 1.6 The recommendation is therefore to consider this now before the appointment of the shared senior management team so that an agreed way of working, and of dealing with conflicts, is in place before they are appointed.
- 1.7 The protocol as appended was approved by South Northamptonshire Council at its full Council meeting on 20 April 2011 and will come into effect from the date of the SNC Annual Meeting on 17 May 2011.

Key Issues for Consideration/Reasons for Decision and Options

- 2.1 One of the challenges of sharing a senior management team is the expectations of two differing cultures and two sets of members used to working in a particular way. To some extent the impact of this will only emerge over time but this protocol is a starting point for setting out agreed ways of working, respective roles and steps to take if there is a conflict.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

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|---------------------|---|
| Option One | Adopt the protocol as drafted |
| Option Two | Amend the protocol |
| Option Three | Postpone consideration of the protocol until nearer the June deadline |

Consultations

Interim Chief Executives	The proposed protocol (attached to this report) is supported
Chief Executive Designate	The proposed protocol is supported

Implications

Financial Implications: There are no financial implications to adopting the protocol. There would be costs to using external consultants if this proved necessary because of conflicts of interest but that is not possible to quantify at this point.

Comments checked by Karen Curtin, Head of Finance
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Legal and Risk Management: An agreed protocol at this stage helps to minimise the risk of challenge to decisions made by the shared senior management team.

There could be reputational , financial or legal risk if an officer acted in a situation where they were conflicted from giving best objective advice in the public interest

Comments checked by Kevin Lane, Interim Head of Legal and Democratic Services 01295 221686
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Wards Affected

All

Document Information

Appendix No	Title
Appendix 1	Protocol on respective roles of members and officers and dealing with conflicts of interest
Background Papers	
Respective constitutions of South Northamptonshire and Cherwell	
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