

## 5.3 - Conflicts of Interest Policy

### 1. Introduction

- 1.1 The Combined Authority is committed to ensuring that the Members and officers act in line with the **Nolan Principles** of public life, which are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- 1.2 This Conflicts of Interest Policy applies to:
  - the Mayor and any other Combined Authority Member,
  - any voting Co-optee on a committee of the Combined Authority,
  - any non-voting Member,
  - any Associate member or Non-Constituent Body Member including members of any advisory board or working group,
  - any officer of the Combined Authority, and
  - any officer of a local authority, Constituent Council or otherwise, who advises the Combined Authority or any of its committees or Boards.
- 1.3 It applies to both local authority and private sector representatives, and their substitutes.
- 1.4 The policy provides an overview of how conflicts of interest are managed, by reference to the procedures which the Combined Authority has in place to maintain high ethical standards and protect its reputation against any allegation of conflicting interests. These include requirements to register and declare interests.
- 1.5 The policy must be followed throughout all decision-making processes the Combined Authority is committed to ensuring that this policy applies to decisions taken at formal meetings or by individuals on behalf of the Combined Authority under delegated authority. It is communicated to everyone involved in decision-making by the Combined Authority, to ensure their commitment to it.
- 1.6 To ensure transparency, decisions are recorded and published in accordance with agreed procedures.

### 2. Definition

A conflict of interest is a set of circumstances which creates a risk that an individual's ability to apply judgement or act in a role is, or could be, impaired or unduly influenced by a secondary interest of that individual, or of another person.

- 2.1 For example, a conflict of interest would arise where a member of any advisory board has an interest, for instance, as a shareholder in a company that is a potential beneficiary of grant funding, conflicting with the interests of the Combined Authority
- 2.2 Conflicts of interest may inhibit open discussions and may result in irrelevant considerations being taken into account or decisions being taken that are not in the best interests of the Combined Authority.

2.3 This policy covers **commercial, personal, actual or potential conflicts of interests**; for the purposes of this policy, the perception of competing interests, impaired judgement or undue influence can also amount to a conflict of interest.

### 3. General

All Members and officers must **take personal responsibility** for declaring their interests and avoiding perceptions of bias.

Where any conflict of interest arises outside of those which they are specifically required to register or declare, they should **err on the side of caution** and declare these interests in line with the Nolan Principles.

### 4. Combined Authority Members and Voting and Local Authority Co-optees on any Combined Authority Committee and/or Working Group

4.1 These members are required to comply with the **Combined Authority's Members' Code of Conduct** in Part 5 of the Constitution. The Code sets out the procedures for registering and declaring pecuniary and other interests, and managing conflicts which arise at any formal meeting of the Combined Authority, or a committee appointed by the Combined Authority.

4.2 The Code of Conduct sets out requirements for declaring pecuniary and other interests at formal meetings, where members are decision-makers. The **Conflicts of Interest Protocol: applications for loans or grants** manages any conflict of interest which may arise when a decision is taken by an officer, in respect of a loan or grant from the Combined Authority.

4.3 The Combined Authority's **Procedure for Considering Complaints** alleging a failure to comply with the Members' Code of Conduct in Part 5 of the Constitution sets out the process to be followed if a member is alleged to have failed to comply with the Code.

4.4 **Registers of interests** are published on the Combined Authority's website.

4.5 Article 12 (Officers) in Part 2 of the Constitution also specifies additional requirements and restrictions in relation to:

- **canvassing for appointments** to the Combined Authority, and
- **disclosing any relationship** between the member and an officer, or a candidate for employment.

### 5. Members of any Advisory Boards who are not subject to the Members' Code of Conduct and non-voting Private Sector Members on the Combined Authority's Committees and/or Working Groups

5.1 Any member of any Advisory Board and/or Working Group who is **not subject to the Members' Code of Conduct and non-voting private sector members on the Combined Authority's committees and working groups** are still required to act in line with the **Nolan Principles of public life** which are selflessness, integrity, objectivity, accountability, openness, honesty and leadership and **are expected** to

meet the standards of the Members' Code of Conduct as a matter of good governance.

- 5.2. All members of Advisory Boards and Working Groups should treat meetings as if they are a formal committee meeting **for the purposes of disclosing interests and not participating where a member has an interest in any matter**. This approach helps members avoid breaching the principles of conduct set out in the Code relating to selflessness and honesty and integrity.
- 5.3. Similarly, **all non-voting private sector members** should **ensure that any relevant interests are declared and appropriate action is taken** having regard to the Nolan principles and the Members' Code of Conduct when attending committee meetings or other meetings in such a capacity.
- 5.4. Any declaration or non-participation by any member should be recorded in the minutes for the meeting of the Board or committee as appropriate.

## 6. Officers

- 6.1 Officers of the Combined Authority must comply with the Combined Authority's Officer Code of Conduct and Gifts and Hospitality Policy in Part 5 of the Constitution when they are working for the Combined Authority.
- 6.2 Article 12 (Officers) in Part 2 of the Constitution requires officers of the Combined Authority to disclose any relationship with a member. It also reflects statutory provisions relating to:
  - prohibiting officers from being operators, directors, partners or employees of public passenger transport services, and
  - recording **pecuniary interests in contracts**.
- 6.3 The **Combined Authority's Contracts Standing Orders** in Part 4 of the Constitution addresses potential conflicts of interests arising in respect of **contracts** with the Combined Authority for goods, services or works.

## 7. Loans or Grants to Businesses

- 7.1 The **Conflicts of Interest Protocol: loans or grants to businesses** in Part 5 of the Constitution, sets out an additional process which the Combined Authority follows to demonstrate that applications from businesses for loans or grants are dealt with in an impartial, fair, and transparent way outside of formal meetings, by an officer. It provides a safeguard (for the Combined Authority and for applicants) to minimise the risk of reputational damage from any perception of undue influence.
- 7.2 The process requires additional scrutiny of any application where a potential conflict of interest arises.

## 8. Adult Skills

- 8.1 In accordance with statutory guidance related to devolved Adult Skills Fund, the Combined Authority has approved a Conflicts of Interest Protocol: Adult Education Fund in Part 5 of the Constitution.