

Employee outside interests

Policy and procedure



This policy sets out the rules for dealing with employees' outside interests. It applies to all employees of the council, irrespective of grade or role. This policy forms part of your terms and conditions of employment.

If you supervise/line manage other employees you must make sure they know about and understand the policy. If the people you supervise fail to comply with the policy, you must take action. You may want to ask your supervisor for guidance, or consider using another policy to guide your response, for example the Probationary, Improving Performance or Disciplinary Policies and Procedures.

If you do not follow this policy then you may be referred into formal procedures, including the disciplinary procedure. Depending on all the circumstances of the case, a potential outcome of disciplinary action is dismissal. You should treat this policy seriously, and make sure you understand it.

If you are unsure about any part of this policy you should get clarification from your line manager or from the Human Resources Service.

Part one – Scope and definitions

This policy is designed not just to stop you *being* inappropriately influenced, but also to reassure the public that we are monitoring any potential influence and addressing any risks. These rules apply to all employees, as public confidence could be affected at any level of the organisation.

This policy is not about prying into the private lives of our employees; it is about protecting public confidence in our services and people, and making sure that employees are not making decisions based on influences from outside of work, or their relationships outside work.

Confidentiality

You may have to declare personal information and things that either are personal sensitive information or which would enable someone to draw inferences about your personal

sensitive information. (These terms are explored in greater detail in the council's policies on information knowledge management.)

Although it will be necessary for an employee's director and their immediate manager to have access to your declaration to ensure robust governance, care should be taken to ensure that information contained in declarations is not shared more widely or more explicitly than necessary.

Some declared interests may be published. The limited circumstances in which this can happen are explained in detail in this policy.

Outside interests

Outside interests means any interest, or connection, that is not a necessary part of your role at the council.

If you are paid at an equivalent pro-rata rate to someone on spinal column point (scp) 23 or above you have to seek permission to:

- take other paid employment (this includes both long-term jobs and one-off work such as writing articles or speaking at conferences)
- be a trustee or board member of a charity which receives financial support from the council

If you need permission for an outside interest, you should write to your director. If you are given permission for the interest, you also need to declare it.

If you already have other paid employment or are a trustees or board member (as described above) then you should declare it each time you complete a declaration of interests.

Conflict of interest

A conflict of interest is a situation where a reasonable person might think that someone in the same role as you, with the same outside interests as you, could be influenced in the decisions or recommendations they make as part of their work for the council.

A good rule of thumb is to ask, "Is this something that might make a reasonable person question the fairness or impartiality of someone in my role?"

Overview of policy relating to outside interests

The process for declaring interests is as follows:

- Declaration of outside interests
- Assessment of declared interests to establish any potential perception of conflicts of interest
- Remedial action to mitigate or remove any potential perception of conflicts of interest
- Publication of interests in the few circumstances set out in this policy
- Ongoing monitoring for potential conflicts of interest

Part two – Declaring outside interests

There are a number of types of interests which you must declare about yourself (full guidance is provided in appendix 1 to this policy):

- Your membership of organisations
- Your association with businesses (including any employment outside the council)
- Your beneficial interests in land and property
- Your personal relationships with contractors and suppliers
- Your financial interests in council contracts and sponsorship
- Your close personal relationships

Where you have close personal relationships you are under an obligation to disclose:

- Their membership of organisations which may give rise to perceptions of conflicts of interest
- Their employment with organisations which may give rise to perceptions of conflicts of interest

Human Resources, and/or the Business Support Centre may issue forms which will guide you through making a declaration. There is a sample form in the appendices to this policy which you may use.

When you declare an interest:

- The declaration must be in writing and must clearly be headed / titled as being a declaration of interest(s)

- The declaration should be made separately so that it is easily identified and can be filed. It should not be part of another document.
- You must be clear what you are declaring, or that you are declaring that you have no interests which you ought to declare.
- The declaration must be *either*
 - on paper, which you have signed and dated, and sent to Leeds City Council, Business Support Centre, Civic Hall, Calverley Street, Leeds LS1 1UR; *or*
 - electronically, and sent from your personal council email account to bsc.hr.employee.matters@leeds.gov.uk

The form and appendices to the policy will help to guide you through the declaration process.

Verbal declaration of interests at formal meetings

You may be asked on occasion to declare any (prejudicial) interests at formal meetings (especially those where councillors are present) or when making formal recommendations or decisions. The fact that you may have declared an interest in those settings does not remove the need to complete a register of interests declaration as well.

You can ask for advice before doing something

You can discuss potential interests with your director at an early stage: you do not have to wait until an interest is created to find out whether your director would see it as a conflict of interests, or to find out what impact there would be on your role.

You can write to your director to ask them to assess the impact of a potential interest, so you can decide whether to develop a new interest. For example, if you are thinking of starting a business, you can discuss the implications before you actually commit to that plan.

You must make prompt declarations

You must declare outside interests in a number of categories, which are set out below. You should make a declaration:

- when you start a new job with the council; **and**
- whenever you are asked to do so by the council; **and**

- as soon as you know about a change in the interests you are obliged to declare

You must make an immediate declaration if you become aware that you have an interest in a council contract which is either proposed or entered into, if that interest could be perceived as giving rise to a conflict of interest.

Your director is accountable for deciding posts which will be proactively checked (i.e. ones we actually send forms out to each year to ask you to amend or confirm your details.)

Any breach of this policy could lead to disciplinary action. It is particularly important to make clear to you that the following would normally be considered to be breaches of the policy:

- If you fail to return a declaration of interests form when asked to do so by the council.
- If you do not declare an interest which you should have declared.
- If you deliberately mislead your director about the nature of your interests

Although the severity of misconduct will depend on all the circumstances of the case, it is likely that we could only consider a failure to declare an interest to be gross misconduct if there is the potential for the perception of a conflict of interests.

Part three – Assessing outside interests

When you submit a declaration of interests, your director will look at the duties of your post, and the interests you have declared and assess whether there is an actual or potential for any perception of a conflict of interest.

Your director may need to discuss your declaration with you, which may cover the exact nature and extent of your interest, or seeking further detail about, for example, an organisation you have declared membership of.

If you provide additional information to clarify the assessment process, you may be asked to add this to your declaration, so that there is a record of the information which the assessment was based on.

In some cases we may publish interests declared as “associations with businesses” (as explained in this procedure). It is particularly important, therefore, that you work with your director to ensure that this section is properly completed.

Remedial action to mitigate or remove any potential perception of conflicts of interest

If there is any risk of a perception of a conflict of interests, then your director will decide how serious that risk is. Your director may decide to make changes to your role, or the oversight of your work, in order to avoid or minimise the risk that of a perception of a conflict of interests. The director has wide discretion to take action which is appropriate in all the circumstances. They may consider, for example:

- Redistributing responsibilities across a team (for example if a team is split across geographic areas, changing roles around to minimise or avoid conflicts of interest)
- Reassigning a part of the role to another person (and, therefore, often part of their role to you). Directors should be mindful of the grade of officer required to carry out elements of work
- Requiring you to have specific decisions (or types of decision) reviewed or approved by someone else
- Directing that you should not be assigned a particular piece of type of work when work assignments are distributed amongst the team

In very rare cases you may have an interest which is fundamentally incompatible with your role and you may be asked to choose whether to end your outside interest or to give up your role with the council. In such cases the council will make reasonable efforts to redeploy you to a role where the conflict would not arise or could be managed.

Part four – Publishing outside interests

In the vast majority of cases the information is kept confidentially by the council as part of the records we hold about you (as with payroll or personnel information, for example).

The business interests of senior officers (the top 3 tiers of management, i.e. Chief Officers and above) will be published on the council's website. Appeals against publication are considered by the Chief Officer - HR and must demonstrate harm or damage.

Business interests includes:

- Name and address and nature of additional business, or other employment

- Name and address of company, firm or other body or individual of whom consultancy is undertaken and nature of consultancy with an indication of frequency or volume of such work
- Name and address and nature of business of each company or other body of which you are a director, with an indication of whether it is in a paid or unpaid capacity
- Name and address and nature of business of each firm or company in which you are a partner
- Name and address and nature of business of each firm or company in which you hold shares
- Name and address and nature of additional business, or other employment

If you declare that you have an interest in a council contract, for example you are bidding for council business, the council may have to publish that information.

Part five – Additional information

Ongoing monitoring for potential conflicts of interest

Even if a manager is not the director's nominee for assessing a person's declaration of interests, any line manager needs to be aware of the declared interests of their staff.

Change of manager

Managers should ensure that they review the register of interests returns for the staff they manage, so they are aware of any potential conflicts of interest.

Managers can request the register of interest returns for their own staff from the business support centre.

Change of staff and new staff

When new staff are assigned to a manager, the manager should either:

- Review the member of staff's existing declaration of interests, if their previous job was the same as their current role
- Ask the member of staff to complete a new declaration. (A new declaration will be required for any new starter.)

Change of duties

When a person's duties change (or there is a proposal to change a person's duties) the manager should review their declaration of interests form and refer the matter to the director where appropriate.

Director

The term "directors" is used to refer to a group of senior officers which includes the Chief Executive and all posts (other than administrative posts) which report directly to the Chief Executive.

It is expected that directors will take will delegate the responsibility for reviewing declarations of interest to an appropriate level of management. The director remains accountable, however, for the assessment of declarations, and the steps taken to minimise the risk of the perception of conflicts of interest.

Where this policy refers to the director taking action, that action may be taken on the director's behalf by their nominee(s). Wherever possible, the term "director" should be understood in this sense.