



**CONFLICT OF INTEREST POLICY  
AND  
CODE OF CONDUCT FOR PLYMOUTH AND  
SOUTH DEVON FREEPORT BOARD  
MEMBERS AND STAFF**

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## CONFLICT OF INTEREST POLICY

The Plymouth and South Devon (PASD) Freeport is committed to ensuring that all Board Members and Staff act in line with the Nolan Principles of public life.

- **Selflessness:** Holders of public office should act solely in terms of the public interest.
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- **Honesty:** Holders of public office should be truthful.
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Board Members and Staff are expected to read the Code of Conduct for PASD Freeport Board Members and Staff. They must also complete the appended Declaration and Register of Members' Interests for PASD Freeport Board Members and Staff within 28 days of taking office.

This policy explains the procedures through which the PASD Freeport will seek to maintain its high ethical standards and protect its reputation against any allegations of conflict of interest. It is communicated to everyone involved in the PASD Freeport to ensure their commitment to it and it applies to all Board Members and Staff.

Board Members and Staff take personal responsibility for declaring their interests and avoiding perceptions of bias. To demonstrate this all Board Members and Staff produce and sign a register of interests which is reviewed annually and updated regularly. In the interests of transparency this will be published on the PASD Freeport website.

In addition, the PASD Freeport ensures that the Conflict of Interest Policy is followed through its decision making processes. It is committed to ensuring that this policy applies to decision makers regardless of whether there is a formal meeting. The PASD Freeport ensures that decisions are recorded and published regardless of how they are taken to ensure full transparency in all PASD Freeport decisions.

### Definitions

A conflict of interest is any situation in which an employee's or a board member's close personal relationships, personal financial interests, or interests that they owe to another body, may (or may appear to) influence or affect their decision making.

- For the purposes of this guidance, we are using the definition of a pecuniary interest as set out in the Localism Act 2011 and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.
- A non-pecuniary interest is any interest which is not listed in the Schedule to The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (No.1464).

- A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

### **Registering and declaring pecuniary and non-pecuniary interests**

To preserve your integrity and protect yourself and the PASD Freeport, as a Board Member or Staff member you must:

Within 28 days of taking office, complete the Register of Members' Interests to notify the Freeport Chief Executive and Accountable Body's S151/S73 Officer of any disclosable pecuniary interest, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a spouse, or as if you were civil partners or any other close personal relationship which could create or be perceived to create a conflict of interest, influence or unfair advantage.

Within 28 days of taking office, you must complete the Register of Members' Interests to notify the Freeport Chief Executive and Accountable Body's S151/S73 Officer of any non-pecuniary interest which you have decided should be included in the register or which you consider should be included if you are to fulfil your duty to act in conformity with the Seven Principles of Public Life. These non-pecuniary interests will necessarily include your membership of any Trade Union.

Review your individual register of interest before each board meeting and decision-making committee meeting and declare any relevant interest(s) at the start of the meeting.

If an interest has not been entered onto the PASD Freeport register, then you must disclose the interest at any meeting of the PASD Freeport where you are present, where you have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'.

Following any disclosure of an interest not on the PASD Freeport register or the subject of pending notification, you must notify the PASD Freeport Chief Executive and Section 151/Section 73 Officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest. Additionally, you must observe the restrictions PASD Freeport places on your involvement in matters where you have a pecuniary or non-pecuniary interest as defined by PASD Freeport.

### **Identifying conflicts of interest**

Conflicts can inhibit open discussions and may result in irrelevant considerations being considered or decisions being taken that are not in the best interests of the PASD Freeport. Conflicts of interests, or perceived conflict of interest, may arise in various ways, such as where a Board Member or Staff's personal interests, for instance, as a shareholder in a company that is a potential beneficiary of public funding, conflict with the interests of the PASD Freeport.

### **Gifts and hospitality**

PASD Freeport Board Member's and Staff should also familiarise themselves with the PASD Freeport Gifts and Hospitality Policy (Appendix C). If acceptance of gifts and hospitality were challenged, it would be necessary to show that acceptance was lawful and appropriate, and that personal judgement or integrity had not been compromised. You should also exercise caution when giving gifts (except 'token' gifts) and hospitality to third parties.

### **Procedure for managing conflicts**

When an interest materially affects a Board Member's ability to vote without prejudice, this will be deemed to be non-trivial and a conflict of interest. In such circumstances the Board Member will withdraw from the meeting while the discussion and vote take place. Before they leave, they can make representations and answer questions or give evidence.

Upon the declaration of any conflicts of interest at a meeting of the Board, the non-conflicted members will:

- assess the nature of the conflict;
- assess the risk or threat to Board Member decision-making;
- decide whether the conflict is non-trivial (that is, it is material or has the potential to be detrimental to the conduct or decisions taken by the members);
- decide what steps to take to avoid or manage the conflict; and
- record the rationale/outcome of those discussions.

The conflicted Board Member must not take part in the discussion or decision and will not be counted when determining whether the Board meeting is quorate.

The non-conflicted Board Members will consider whether it is necessary to seek the advice of the Chief Executive who may consult a legal adviser if necessary to determine whether the conflict is nontrivial and/or on how to manage the conflict declared.

Subject to the provisions set out in the PASD Freeport Articles of Association, if the non-conflicted Board Members consider that the declared conflict is trivial, they may agree that the conflicted Board Member may continue to participate in discussions and the decision-making process.

If the non-conflicted Board Members consider that the conflict is non-trivial, the non-conflicted Board Members will determine what action is appropriate considering the nature and extent of the conflict. Several steps can be taken to deal with the conflict, including:

- excluding the conflicted member from discussions in relation to the matter to avoid inadvertently influencing the non-conflicted members;
- excluding the conflicted members from decision-making in relation to the matter while the conflict exists;
- delegating the matter to a sub-committee of non-conflicted members;
- seeking independent advice to help with a decision;
- appointing an alternative, non-conflicted member;
- resignation of the conflicted member where the conflict is acute or pervasive; and/or
- applying to the courts for directions.

The Chair of the Board will inform the conflicted member of the non-conflicted members' decision. The secretariat to the Board will note in the minutes of the meeting the conflict declared, an outline of the discussion and the actions taken to manage the conflict.

### **Dealing with breaches**

There will be situations when conflicts of interest will not be identified, declared or managed appropriately and effectively. This may happen innocently, accidentally, or because of a deliberate action. For the purposes of this policy these situations are referred to as 'breaches'.

## Identifying and reporting breaches

Board Members who are aware about actual breaches of this policy, or who are concerned that there has been, or may be, a breach, should report these concerns to the Freeport Chief Executive in the first instance.

To ensure that interests and declarations regarding hospitality, gifts and sponsorship are effectively managed staff are encouraged to speak up about actual or suspected breaches. Every individual has a responsibility to do this. In case of doubt the issue should be raised with the Freeport Chief Executive.

As the Accountable Body Plymouth City Council will investigate each reported breach according to its own policy for investigating such breaches and give relevant parties the opportunity to explain and clarify any relevant circumstances. All breaches shall be reported to the Accountable Body Lead Manager.

Following investigation Plymouth City Council as the Accountable Body will:

- Decide if there has been or is potential for a breach and if so what the severity of the breach is.
- Assess whether further action is required in response.
- Consider who else inside and outside the organisation should be made aware.
- Take appropriate action as set out in the next section.

## Taking action in response to breaches

Breaches could require action in one or more of the following ways:

- Clarification or strengthening of existing policy, process and procedures.
- Consideration as to whether HR/employment law/contractual action should be taken against staff or others.
- Consideration being given to escalation to external parties. This might include referral of matters to external auditors, the Police, and/or professional regulatory bodies.
- Inappropriate or ineffective management of interests can have serious implications. There may be occasions where it is necessary to consider the imposition of sanctions for breaches.

Sanctions should not be considered until the circumstances surrounding breaches have been properly investigated. However, if such investigations establish wrong-doing or fault then the organisation can and will consider the range of possible sanctions that are available, in a manner which is proportionate to the breach. This includes:

- Employment law action against staff, which might include,
  - Informal action (such as reprimand or signposting to training and/or guidance).
  - Formal disciplinary action (such as formal warning, the requirement for additional training, re-arrangement of duties, re-deployment, demotion, or dismissal).
- Reporting incidents to the external parties described above for them to consider what further investigations or sanctions might be.
- Contractual action, such as exercise of remedies or sanctions against the body or staff which caused the breach.
- Legal action, such as investigation and prosecution under fraud, bribery and corruption legislation.

### **Learning and transparency concerning breaches**

Reports on breaches, the impact of these, and action taken will be investigated by a suitable independent body, e.g. Devon Audit Partnership.

To ensure that lessons are learnt, and management of interests can continually improve, anonymised information on breaches, the impact of these, and action taken will be prepared and published on the organisation's website as appropriate or made available for inspection by the public upon request.

## APPENDIX A - CODE OF CONDUCT FOR PLYMOUTH AND SOUTH DEVON (PASD) FREEPORT BOARD MEMBERS AND STAFF

### Introduction

As a PASD Freeport Board or Staff Member you shall have regard to the seven Nolan Principles of public life:

- **Selflessness:** Holders of public office should act solely in terms of the public interest.
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- **Honesty:** Holders of public office should be truthful.
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Accordingly, when acting in your capacity as a Member of the PASD Freeport Board or Staff:

- You must act in a manner consistent with the Freeport's Equality and Diversity Policy and treat your fellow Board Members, colleagues and others you come into contact with when working in their role with respect and courtesy at all times.
- You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
- You must not place yourself under a financial or other obligation to outside individuals or organisations that might be reasonably regarded to influence you in the performance of your official duties.
- When carrying out your Freeport duties you must make all choices, such as making appointments, awarding contracts or recommending individuals for rewards or benefits, based on evidence.
- You are accountable for your decisions, and you must co-operate fully with whatever scrutiny is appropriate to your position. You must be as open as possible about both your decisions and actions and the decisions and actions of the Freeport. In addition, you should be prepared to give reasons for those decisions and actions.
- You must declare any private interests, both pecuniary and non-pecuniary, including membership of any Trade Union, political party or local authority that relates to your Freeport

duties. Furthermore, you must take steps to resolve any conflicts arising in a way that protects the public interest. This includes registering and declaring interests in a manner conforming with the procedures set out in the section 'Registering and declaring pecuniary and non-pecuniary interests (see below).'

- You must, when using or authorising the use by others of the resources of the Freeport, ensure that such resources are not used improperly for political or personal purposes (including party political purposes).
- You must promote and support high standards of conduct when attending Freeport Board meetings and serving in your post, as characterised by the above requirements, by leadership and example.

### **Registering and declaring pecuniary and non-pecuniary interests**

You must, within 28 days of taking office as a staff member, Board Member or being co-opted, notify the Freeport Chief Executive and Accountable Body's S151/S73 Officer of any disclosable pecuniary interest where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a spouse, or as if you were civil partners – see Appendix B.

In addition, you must, within 28 days of taking office, notify the Freeport Chief Executive and Accountable Body's S151/ S73 Officer of any non-pecuniary interest which your Freeport has decided should be included in the register or which you consider should be included if you are to fulfil your duty to act in conformity with the Seven Principles of Public Life. These non-pecuniary interests will necessarily include your membership of any Trade Union.

Board members and staff should review their individual register of interest before each Board meeting and decision-making committee meeting. They must declare any relevant interest(s) at the start of the meeting. If an interest has not been entered onto the Freeport's register, then the member must disclose the interest at any meeting of the Freeport at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest.'

Following any disclosure of an interest not on the Freeport register or the subject of pending notification, you must notify the Freeport Chief Executive and S151/S73 Officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest. Additionally, you must observe the restrictions your Freeport Board places on your involvement in matters where you have a pecuniary or non-pecuniary interest as defined by your Freeport.

#### **Notes:**

For the purposes of this guidance, we are using the definition of a pecuniary interest as set out in the Localism Act 2011 and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.

A non-pecuniary interest is any interest which is not listed in the Schedule to The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (No.1464).

A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

**Board Member and Staff declaration and signature**

By signing my name below, I certify that I have read the above information. Any questions concerning these policies have been discussed. My signature also certifies my understanding of, and agreement with, the above policies. A photocopy of this document is as valid as the original. You may receive a copy of this document upon request.

<b>Board Member/Staff Name (in full)</b>	
<b>Signature</b>	
<b>Date</b>	

**APPENDIX B - REGISTER OF INTERESTS FOR BOARD MEMBERS AND STAFF**

As a Board Member of the PASD Freeport Board or Staff you are required to complete the form overleaf to declare whether you have disclosable pecuniary and/or non-pecuniary interests.

Please state 'none' where appropriate, do not leave any boxes blank.

Each Board Member shall review their individual register of interests before each board meeting and decision-making committee meeting, submitting any necessary revisions to the Freeport Chief Executive and S151/S73 Officer at the start of the meeting. Any recorded interests relevant to the meeting should also be declared at this point. Even if a meeting has not taken place, a Board Member must, within 28 clear working days of becoming aware of any change to the interests specified below, provide written notification to the Freeport Chief Executive and S151/S73 Officer, of that change.

Note: SPOUSE/PARTNER – my spouse or partner means anyone who meets the definition in the Localism Act, i.e. my spouse or civil partner, or a person with whom I am living as a spouse or a person with whom I am living as if we are civil partners, and I am aware that that person has the interest having carried out a reasonable level of investigation. Where your spouse or partner has recently been involved in any activity which would have been declarable, this should be mentioned, with the date the activity ended.

**Board Member and Staff declaration and signature**

By signing my name below, I confirm that having carried out reasonable investigation, the information given is a true and accurate record of my relevant interests, given in good faith and to the best of my knowledge.

<b>Board Member/Staff Name (in full)</b>	
<b>Signature</b>	
<b>Date</b>	

**Section 01 - Any Employment, Office, Trade, Profession or Vocation Carried on for Profit or Gain**

1.1 Name of:	
<ul style="list-style-type: none"> <li>Your employer(s)</li> <li>Any business carried on by you</li> <li>Any other role in which you receive remuneration (this includes remunerated roles such as councillors)</li> </ul>	
MYSELF	SPOUSE/PARTNER

1.2 Description of employment or business activity	
MYSELF	SPOUSE/PARTNER

1.3 The name of any firm in which you are a partner	
MYSELF	SPOUSE/PARTNER

1.4 The name of any company for which you are a remunerated director	
MYSELF	SPOUSE/PARTNER

**Section 02 – Sponsorship**

2.1 Any financial benefit obtained (other than from the Freeport) which is paid as a result of carrying out duties as a Board Member. This includes any payment or financial benefit from a Trade Union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 (a)

MYSELF	SPOUSE/PARTNER

**Section 03 – Contracts**

3.1 Any contract for goods, works or services with the Freeport which has not been fully discharged by any organisation named at 1.1

MYSELF	SPOUSE/PARTNER

3.2 Any contract for goods, works or services entered into by any organisation named at 1.1 where either party is likely to have a commercial interest in the outcome of business being decided by the Freeport

MYSELF	SPOUSE/PARTNER

**Section 04 – Land or Property**

4.1 Any interest you or any organisation listed at 1.1 may have in land or property which is likely to be affected by a decision made by the Freeport Board. This would include:

- Any interest in any land in the Freeport areas, including your place(s) of residency
- Any tenancy where the landlord is the Freeport and the tenant is a body in which the relevant person has an interest
- Any licence for a month or longer to occupy land owned by the Freeport

For property interests, please state the first part of the postcode and the Local Authority where the property resides. If you own/lease more than one property in a single postcode area, please state this

MYSELF	SPOUSE/PARTNER

**Section 05 – Securities**

5.1 Any interest in securities of an organisation under 1.1 where:

a) that body (to my knowledge) has a place of business or land in the area of the Freeport;  
and

b) either –

i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which has a beneficial interest exceeds one hundredth of the total issued share capital of that class

MYSELF	SPOUSE/PARTNER

**Section 06 – Gifts and Hospitality**

6.1 Any gifts and/or hospitality received as a result of membership of the Freeport Board or as set out in the gifts and hospitality policy (above the value of £50)

MYSELF	SPOUSE/PARTNER

**OTHER INTERESTS – Membership of Organisations**

I am a member of, or I am in a position of general control, a trustee of, or participate in the management of:

Any body to which I have been appointed or nominated by the Freeport:

Any body exercising functions of a public nature (e.g. school governing body or LEP):

Any body directed to charitable purposes:

Any body, one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union):

Any local authority (please state any interests you hold as LA leaders/cabinet members for LA land, resources and the LA's commercial interests):

Any other interest which I hold which might reasonably be likely to be perceived as affecting my conduct or influencing my actions in relation to my role:

## APPENDIX C – GIFTS AND HOSPITALITY

We realise that the giving and receiving of gifts and hospitality as a reflection of friendship or appreciation where nothing is expected in return may occur, or even be commonplace, in our industry. This does not constitute bribery where it is proportionate and recorded properly.

Gifts in most cases can be accepted, but as a legal entity supported significantly by the public purse, we cannot accept a gift, service or hospitality on a scale that might be considered to affect our judgement. If you are offered anything beyond a token a gift or reward (value of £50) for doing - or not doing - anything in your work capacity you should declare this by email to [info@pasdfreeport.com](mailto:info@pasdfreeport.com) providing the following information.

### Gift declaration

- when the gift was received
- who the donor is
- what the gift is
- an estimate of the gift's value and
- what you propose to do with the gift (i.e., retain it, put it on display in the office, surrender it to the Inspectorate).

### Hospitality declaration

- the name of the body/organisation offering the hospitality
- the date of the event
- the nature of the hospitality offered (lunch, dinner, sporting event, etc.)
- Estimated Value
- the name of the officer(s) to whom the hospitality was offered
- the name and signature of the officer approving acceptance of the invitation, if required and given
- Date of Acceptance
- whether, exceptionally, a spouse, partner or other family member attended (prior approval of which must have been obtained) and
- any relevant comments.

No gift should be given nor hospitality offered by an employee or anyone working on our behalf to any party in connection with our business without receiving prior written approval from your Line Manager in the case of an Employee or the Chair of the Board in the case of a Company Director.

Similarly, no gift or offer of hospitality should be accepted by an employee or anyone working on our behalf without receiving prior written approval from your Line Manager in the case of an Employee or the Chair of the Board in the case of a Company Director.

### Approval and Recording

Prior to giving written approval the Line Manager of Chair of the Board of Directors should consider:

-

Will acceptance create any possible conflicts of interest?

- Is the invitation from an individual or organisation that has or is actively seeking to enter into a specific contractual or financial relationship with the PASD Freeport?
- Will acceptance create any obligation to the donor?

- Will acceptance compromise the PASD Freeport's (or the individual's) impartiality, or otherwise be improper?
- Will acceptance result in unfair advantage being conferred or thought to be conferred upon the outside organisation or individual?

Declarations will be recorded in a central register and reviewed regularly by the Freeport Operations Director who will escalate any concerns as necessary to the Freeport Chief Executive in the case of an employee or the Chair of the Board in the case of a Director.