

WNDC Board Code of Practice

Index

Introduction	2
Public Service Values	2
Information	3
Gifts and Hospitality	3
The Role of the Chair	3
Corporate Responsibility of Board Members	4
Political Activities	5
Personal Liability of Board Members	5
Openness and responsiveness	6
Accountability for Public Funds	7
The Board as Employer	7
Board Members' Interests	8
Appendix 1: Nolan Committee Principles of Public Life	11
Appendix 2: Gifts and Hospitality	12
Appendix 3: Registrable Interests	18
Appendix 4: Code of Practice on Access to Information	19

WEST NORTHAMPTONSHIRE DEVELOPMENT CORPORATION

CODE OF PRACTICE FOR BOARD MEMBERS

1 Introduction

- 1.1 West Northamptonshire Development Corporation (WNDC) has established a Code of Practice for Board Members, which all Board Members are expected to adhere to in fulfilment of their duties.
- 1.2 The arrangements for appointing individual Board Members make it possible for the Secretary of State for Communities and Local Government (**CLG**) to remove him or her from office if he or she fails to perform the duties required of a Board Member to the standards expected of persons who hold public office.

2 Public service values

- 2.1 Individual Board Members should be aware of their wider responsibilities as Board Members. Like others who serve the public, they should follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life (the Nolan Committee). The principles are set out at Appendix 1).
- 2.2 Board Members must:
 - (a) undertake on appointment to comply at all times with this Code of Practice and with rules relating to the use of public funds;
 - (b) act in good faith and in the best interests of WNDC;
 - (c) not misuse information gained in the course of their public service for personal gain or for political purpose, nor seek to use the opportunity of public service to promote their private interests or those of connected persons, firms, businesses or other organisations;
 - (d) ensure that they comply with the Board's rules on the acceptance of gifts and hospitality.
 - (e) promote equal opportunities and diversity, in accordance with the provisions of the Corporation's Equal Opportunities and Diversity Policy
 - (f) maximise value for money by ensuring that functions are discharged efficiently and effectively, within available resources, and with independent validation of performance achieved wherever practicable.
 - (g) observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of WNDC;

- (h) be accountable to Parliament, users of services, individual citizens and staff for the activities of the bodies concerned, their stewardship of public funds and the extent to which key performance targets and objectives have been met; and
- (i) in accordance with Government policy on openness, comply fully with the principles of the Citizen's Charter and WNDC's Code of Practice on Access to Information (Appendix 4).

3 Information

- 3.1 Board Members should not use information gained in the course of their duties for personal gain or for political purposes. Nor should they seek to use their position to promote their private interests (or those of connected persons, firms, businesses or other organisations).

4 Gifts and Hospitality

- 4.1 Board Members should comply with the Board's rules on the acceptance of gifts and hospitality (see Appendix 2). Neither a Member nor his or her family should accept a gift or hospitality which may, or may appear to, compromise the Member's or WNDC's impartiality in dealing with WNDC's affairs. The primary responsibility for deciding whether gifts or hospitality should be accepted lies with the Board Member. In case of doubt, the Member should either refuse the gift or hospitality or consult the Chief Executive.
- 4.2 Board Members should register any gifts or hospitality worth £25 or over that is received in connection with official duties. The gift or hospitality must be registered within 28 days and the nature of the gift or hospitality, the source of who gave it, and how the business under consideration relates to that source.
- 4.3 Board Members should consider if the gift or hospitality should be considered a personal matter or prejudicial matter subject to the points set out in Appendix 2.

5 The Role of the Chair

- 5.1 The Chair has particular responsibility for providing effective strategic leadership on matters such as:
 - (a) formulating the Board's strategy for discharging its statutory duties;
 - (b) encouraging high standards of propriety and promoting the efficient and effective use of staff and other resources throughout the organisation;
 - (c) ensuring that the Board, in reaching decisions, takes proper account of guidance provided by CLG;
 - (d) representing the views of the Board to the key stakeholders and the general public; and

- (e) providing an assessment of performance of individual Board Members, on request, when they are being considered for re-appointment to the Board or for appointment to the Board of some other public body.
- 5.2 The Chair should ensure that the Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Board Members. The minutes or summaries of these meetings will be placed on WNDC's website and made available to the public as appropriate.
- 5.3 The Deputy Chair will offer particular support to the Chair in carrying out his or her responsibilities.
- 5.4 Communications between the Board and the Minister of CLG will normally be through the Chair (except where the Board has agreed that an individual Member should act on its behalf). Where an individual Member seeks access to Ministers on any matter which he or she believes raises important issues relating to his or her duties as a member of the Board, the agreement of the rest of the Board should normally be sought. The main point of contact between WNDC and CLG on day-to-day matters will normally be the Chief Executive or another member of staff who is authorised to act on behalf of the body.
- 5.5 The Chair should ensure that all Board Members, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities. The Chair and other Board Members will receive copy of this Code of Practice, the Board's Standing Orders, and other relevant background material, including;
- (a) the Management Statement and Financial Memorandum;
 - (b) the latest Corporate Plan and Annual Reports and Accounts; and
 - (c) the Treasury's handbook, "Regularity and Propriety";
- 5.6 The Chair should encourage new Board Members to attend an induction course on the duties of Board Members of public bodies (or other suitable form of induction programme).

6 Corporate responsibilities of Board Members

- 6.1 Board Members have corporate responsibility for ensuring that WNDC complies with any statutory or administrative requirements for the use of public funds.
- 6.2 Board Members also have a corporate duty to ensure that:
- (a) public funds (and assets) are properly safeguarded; and
 - (b) at all times, the Corporation conducts its operations as economically, efficiently and effectively as possible (with full regard to the relevant

statutory provisions and to the Management Statement and Financial Memorandum).

6.3 In addition, the Board will also:

- (a) ensure that high standards of corporate governance are observed at all times;
- (b) establish WNDC's overall strategic direction within the policy and resources framework agreed with CLG;
- (c) ensure that the Board operates within the limits of its statutory authority and any delegated authority agreed with CLG, and in accordance with any other conditions relating to the use of public funds;
- (d) ensure that, in reaching decisions, the Board had taken into account any guidance issued by CLG;
- (e) formulate a strategy for implementing the Code of Practice on Access to Government Information, including prompt response to public requests for information; and
- (f) operate sound environmental policies and practices in accordance with the approach set out in the 1990 White Paper "This Common Inheritance" (Cm 1200) and other relevant guidance.

7 Political activities

7.1 No Board Member of the Corporation may occupy a paid party political post or hold a particularly sensitive or high profile unpaid role in a political party. Board Members are otherwise free to engage in political activities, provided that they are conscious of their general public responsibilities and exercise a proper discretion, particularly in regard to the work of the Corporation. On matters directly affecting that work, they should not make political speeches or engage in other political activities. If in any doubt, members should consult the Chair.

7.2 The restrictions in paragraph 7.1 do not apply to Board Members who are MPs (in those cases where MPs are eligible to be appointed), to local councillors or to Peers in relation to their conduct in the House of Lords. The position of Peers in this regard is covered by a statement reproduced as Annex D to "Non-Departmental Public Bodies. A guide for Departments".

8 Personal liability of Board Members

8.1 Any legal proceedings initiated by a third party are likely to be brought against the Board. However, in exceptional cases, proceedings (civil or, in certain cases, criminal) may be brought against the Chair or other individual Board Members. For example:

- (a) A Board Member may be personally liable if he or she makes a fraudulent or negligent statement which results in loss to a third party.
 - (b) Board Members who misuse information gained by virtue of their position may be liable for breach of confidence under common law or may commit a criminal offence under insider dealing legislation.
- 8.2 The Government has indicated (sections 8.3 and 26.5 of '*Government Accounting*') that individual Board Members who have acted honestly, reasonably, in good faith and without negligence will not have to meet out of their own personal resources any personal civil liability which is incurred in execution or purported execution of their Board functions.
- 8.3 CLG has issued an indemnity to Board Members consistent with Articles 8.1 and 8.2 above, by a letter presented to the Board at its 17th May 2005 meeting. The level of cover provided is broadly comparable both with the cover that would be available in a commercial insurance policy and with that which is given to those civil servants who, as part of their official duties, act as directors of companies (as detailed at section 12.2 of the *Civil Service Management Code*). The cover excludes liability arising in connection with:
- (a) personal criminal activity;
 - (b) negligence; and
 - (c) bad faith.
- 8.4 Board Members who need further advice should consult the Chief Executive.

9 Openness and responsiveness

- 9.1 Board Members and their staff should conduct all their dealings with the public in an open and responsible way and ensure full compliance with the principles of the Citizen's Charter and the Code of Practice on Access to Government Information. They should take account as far as possible of the Standard of Best Practice for Openness in Executive NDPBs and NHS bodies in the First Report of the Committee on Standards in Public Life (Cm 2850-I). Wherever possible, boards should make provision for access to records of their decisions and should publicise the arrangements made.
- 9.2 The Board will ensure that the Corporation provides Parliament (including its Select Committees) and the public with as full information as may be requested concerning their policy decisions and actions. The Board will:
- (a) ensure that WNDC conducts all its dealings with the public in an open and responsible way, and in compliance with the principles of the Freedom of Information Act 2000; and
 - (b) will adopt and maintain a Publication Scheme setting out the information that the WNDC will publish or release as a matter of course, how and when it will do so (and whether there will be a charge or not).

10 Accountability for public funds

- 10.1 Board Members have a duty to ensure the safeguarding of public funds (which should be taken to include all forms of receipts from fees, charges and other sources) and the proper custody of assets which have been publicly funded. They must take appropriate measures to ensure that the body at all times conducts its operations as economically, efficiently and effectively as possible, with full regard to the relevant statutory provisions and to relevant guidance in Government Accounting.
- 10.2 Board Members are responsible for ensuring that the body does not exceed its powers or functions, whether defined in statute or otherwise, or through any limitations on its authority to incur expenditure advised by WNDC's Chief Executive and legal advisers.

11 The Board as employer

- 11.1 The Board will ensure:
- (a) that it complies with all relevant legislation and that it employs suitably qualified staff who will discharge their responsibilities in accordance with the high standards expected of staff employed by such bodies. All staff should be familiar with the body's main aims and objectives;
 - (b) that the organisation adopts management practices which use resources in the most economical, efficient and effective manner;
 - (c) that the body's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff. In filling senior staff appointments, the Board should satisfy itself that an adequate field of qualified candidates is considered, and should always consider the merits of full open competition. In recruiting external candidates, this should normally be used;
 - (d) that its staff, and the Board's own Board Members, have appropriate access to expert advice and training opportunities in order to enable them to exercise their responsibilities effectively.
- 11.2 The Board has a responsibility to monitor the performance of the Chief Executive and senior staff. Where terms and conditions of employment of the Chief Executive, and other members of staff, include an entitlement to be considered for performance-related pay, and where such payments are assessed by Board Members, the Board will ensure that they have access to the information and advice required to make the necessary judgements.
- 11.3 The Board will establish a Code of Conduct for its staff. The Code will cover arrangements enabling members of staff to raise concerns about propriety with a nominated official or Board Member of the Corporation in the first instance and subsequently, if necessary, with a nominated Government official. The Chief Executive will be the nominated Corporation official and the

Head of the Division responsible for sponsoring the Corporation within Communities and Local Government will be the Government official.

12 Board Members' Interests

Registration

- 12.1 The Corporation holds and updates a Register of Board Members' Interests which is available for public inspection by application to the Board Secretary. Each Board Member shall provide the Board Secretary at the time of his or her appointment information on interests which members of the public could reasonably regard as influencing their judgement¹, including:
- (a) Board Members' relevant interests (whether pecuniary or non-pecuniary); and
 - (b) relevant interests of those Board Members' close family, his/her employer or business partner and persons living in the same household as the Board Member.
- 12.2 In cases of doubt as to whether a matter amounts to an interest to be disclosed, the Board Member shall consult with the Chair who may seek the advice of the Chief Executive. Where appropriate, the Chair and Chief Executive should take legal advice or consult with the Permanent Secretary of CLG. Nothing in this paragraph shall relieve the Board Member from the obligation to register relevant interests with the Chief Executive nor to withdraw from a meeting and refrain from voting where particular matters of conflict of interest arise. A Board Member shall not use their position as such directly or indirectly for personal gain or political purposes.
- 12.3 Board Members are responsible for ensuring that their entry in the Register of Members Interests is kept up to date and the Board Secretary shall ensure that the Board reviews the Register at least once a year.
- 12.4 WNDC is required to follow generally accepted accounting practice. Board Members must therefore facilitate compliance with the need (under Financial Reporting Standard 8) for material transactions with related partiesⁱ to be disclosed in financial statements.

Participation in meetings where an interest exists

- 12.5 Subject to 12.7, the Chair and other Board Members should declare any personalⁱⁱ or business interests which may conflict with their responsibilities as Board Members.
- 12.6 Board Members are only required to declare a personal interest where:
- (a) it arises solely from membership of (or position of management/ control on) either:

¹ see Appendix 3 for an indicative list

- (i) a body to which they were appointed or nominated by WNDC; or
 - (ii) any other body exercising functions of a public nature; and
- (b) they wish to speak on the matter before voting.
- 12.7 A Board Member who is directly or indirectly interested in any business of the Board conducted at a meeting shall disclose the nature of his or her interest to the meeting as soon as it is apparent.
- 12.8 In the absence of specific statutory provisions, the common law requires:
- (a) that Board Members of public bodies should not participate in the discussion or determination of matters in which they have a direct pecuniary interest; and that
 - (b) when an interest is not of a directⁱⁱⁱ pecuniary kind, Board Members should consider whether participation in the discussion or determination of a matter would suggest a real danger of bias^{iv}.
- For the avoidance of doubt, this paragraph does not preclude Board Members from deciding to issue an indemnity in the terms of 8.3 above.
- 12.9 Where, in accordance with the above, Board Members do not participate in the discussion or determination of a matter, they should normally withdraw from the meeting. This is because the continued presence of someone who had declared an interest might be thought likely to influence the judgement of the other Board Members present.
- 12.10 Regardless of whether Board Members are able (in the light of the considerations above) to participate in the discussion or determination of a matter, they should:
- (a) declare as soon as practicable after a meeting begins if they have an interest (pecuniary or otherwise), in a matter being considered;
 - (b) disclose any indirect interests in the matter of which they are aware on the part of close family members and persons living in the same households as the Board member; and
 - (c) consider whether they need to disclose relevant interests of other persons or organisations which members of the public might reasonably think could influence the their judgement.
- 12.11 Where the matter of which a disclosure is made is a contract or agreement of any description, the Member or Members shall not take part in any deliberation or decision of the Board with respect to the matter and, where appropriate, should withdraw from the meeting.
- 12.12 A Board Member with a prejudicial^v interest in a matter:
- (a) must declare that they have a prejudicial interest (and the nature of that interest) as soon as the interest becomes apparent;

- (b) should leave the room unless members of the public are allowed to make representations, give evidence or answer questions about the matter. If this is the case, Board Members can also attend the meeting for that purpose; and
- (c) must leave the room immediately once they have finished speaking, (or when the meeting decides that the Board Member has finished speaking).

12.13 Any Officer present who has a personal interest in a matter arising at a meeting shall declare the interest and where that interest is of a prejudicial nature shall withdraw from the meeting by leaving the room.

12.14 The Board Secretary shall record any disclosures made in the minutes.

12.15 Where the application of this Article 12 results in the Board becoming inquorate, the remaining Members may discuss the item in question and make recommendations to the next Board meeting (at which the business shall be dealt with). The fact that the meeting was inquorate, and the reasons, shall be clearly stated in the minutes.

12.16 Appendix 3 provides further details about registration of interests and handling conflicts of interest.

APPENDIX 1

Nolan Committee Principles of Public Life

- 1 Selflessness: Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends;
- 2 Integrity: Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties;
- 3 Objectivity: In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merits;
- 4 Accountability: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office;
- 5 Openness: Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands;
- 6 Honesty: Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests; and
- 7 Leadership: Holders of public office should promote and support these principles by leadership and example.

APPENDIX 2

Gifts and Hospitality

INTRODUCTION

1. Members and staff should be aware that, as a public body exercising planning and other powers, the Corporation, its Board members and its staff are vulnerable to allegations of bias, which is one of the grounds for judicial review of the Corporation's decisions and actions. Acceptance of a gift or hospitality could give rise to an allegation of bias.
2. The principles underpinning the rules for members and staff on gifts and hospitality are:
 - (a) The conduct of members and staff should not give any grounds for suspicion of any conflict between their Board responsibilities and their private interests.
 - (b) The actions of members and staff should not give the impression that they could be, or may have been, placed under some kind of obligation or influenced by a gift or consideration to show favour or disfavour to any person or organisation when acting as a member of the Corporation.
 - (c) If there is any doubt about the propriety of accepting a gift or hospitality, it should be refused.
3. It is an essential requirement of a public body that a formal central record of invitations and offers of gifts or hospitality should be kept. There should be clear rules specifying the circumstances in which Board members and staff should seek management advice about the advisability of accepting invitations or offers gifts or of hospitality.
4. This requirement applies to the Corporation, and the Chief Executive will therefore ensure that:
 - (a) A register of gifts and hospitality is maintained;
 - (b) The register can provide the basis for the provision of information to Communities and Local Government as sponsoring body; and
 - (c) Staff in the Corporation are fully aware of the duty upon them to record gifts and hospitality, and the procedures for doing so – this requirement applies to all staff.
5. The Chair of the Corporation has an equal responsibility, in support of the Chief Executive, to ensure that these same provisions apply to Board Members.
6. It must be emphasised that the intent of this procedure is not to discourage or prevent the acceptance of hospitality where this is helpful to further the interests

of the Corporation: the Nolan Committee accepted that there were advantages in members and officials continuing to be free to accept invitations to working lunches and dinners and for those with a representational role to attend other events.

7. Nor is this procedure intended to imply a lack of trustworthiness on the part of any representative of the Corporation. Rather it is intended to demonstrate probity and protect the Board and staff from any suspicion (no matter how unfounded) of misconduct.
8. Thus the rules set out in this Code of Practice aim not just to safeguard the position of the Corporation by demonstrating its freedom from influence, but also give protection to the Board and its staff against personal embarrassment and criticism (however misplaced) and enable them to defend a charge of corruption.
9. The acceptance of any gift or hospitality must be consistent with:
 - (a) The provisions of the Public Bodies Corrupt Practices Act 1889 and the Prevention of Corruption Act 1906, which make it a criminal offence corruptly to accept any gift or consideration as an inducement or reward for:
 - i) doing, or refraining from doing, anything; and
 - ii) showing favour or disfavour to any person;
 - (b) The financial proprieties, as set out in "Government Accounting".
10. The guiding principles are that:
 - (a) A Corporation representative's conduct in a private capacity must not give rise to any suspicion of conflict between their official duty and private interests;
 - (b) A Corporation representative's conduct in an official capacity must not give the impression – to any member of the public, to any organisation with which they deal, or to colleagues – that they have been (or may have been) influenced by a gift or consideration to show favour or disfavour to any person or organisation; and
 - (c) any gifts or hospitality should always be refused if the Board Member or staff member of the Corporation has any doubts about the propriety of accepting.
11. Detailed rules for all Corporation representatives (Board members and staff) covering gifts and hospitality are set out in **paragraphs 21 and 22** respectively.
12. In addition, in any other circumstance where the receipt of a gift or hospitality might lead to any suggestion of influence or bias, either because of the nature or value of the gift/hospitality or because of the person or organisation offering the consideration, Board Members or staff should ensure that it is declared in the gifts

and hospitality register. This may include circumstances where the gift or hospitality is received either in a personal capacity or in relation to other responsibilities or roles the Board Member or employee may have (irrespective of whether or not the gift/hospitality is registered elsewhere). In case of doubt, the Chief Executive will advise but the presumption should be in favour of declaration of the gift or hospitality.

FORMAT OF REGISTERS

13. The Chief Executive is responsible for ensuring that a single register of gifts and hospitality is maintained which covers:

- (a) host/source of gift;
- (b) hospitality received/nature of gift;
- (c) date received;
- (d) recipient(s);
- (e) comments; and
- (f) estimated value.

RESPONSIBILITY FOR MAINTAINING AND INSPECTING REGISTERS

14. The Chief Executive has nominated the Governance, Policy and Communications Officer to maintain the register. The Chief Executive will from time to time check that the registers are being properly maintained. The nominated officer is required to:

- (a) satisfy him/herself that the register is being properly maintained;
- (b) review the entries with a view to checking (to the best of his/her knowledge) that they and the register are complete, and that the rules are being observed. This would not require the verification of individual entries or the initiation of inquiries to test completeness;
- (c) report to the Chief Executive; and
- (d) keep a record of the carrying out and date of these checks.

REPORTING ON THE CHIEF EXECUTIVE'S OWN ACCEPTANCE OF GIFTS AND HOSPITALITY

15. The Chief Executive should report his or her own log entries, together with a confirmation that logs are being maintained and checked (as in paragraph 14 above), to the Board on an annual basis.

STAFF ON SECONDMENT

16. Staff seconded to or from the Corporation are subject to the same standards of conduct as any other staff and should therefore ensure that gifts and hospitality accepted are recorded in the register.

SPORTING, CULTURAL AND SOCIAL EVENTS

17. Staff with a significant representational role may accept tickets to sporting, cultural or social events, unless there is a contractual (or potential contractual) relationship with the donor, and assuming attendance is appropriate. The key test is whether attendance is consistent with the general rules on acceptance of gifts and hospitality and is in the interest of the Corporation and will further its objectives – normally this will mean that there will be an opportunity to discuss official business. This must be clearly demonstrable, since the fact that tickets could not become the property of the Corporation in the way that another gift could, would make them look like a personal gift and thus more open to public criticism.
18. Acceptance will generally only be appropriate in isolated instances, and must be registered – accepting frequent, regular, annual or seasonal invitations (particularly from the same source) would normally go beyond the accepted standards of conduct. Where such tickets are accepted, they must be logged in the register.

OTHER BENEFITS

19. Any favours, benefits or considerations which are not gifts or hospitality (e.g. special discounts, access to services and/or facilities, free membership of clubs or other privileges not available to others) offered by a firm or organisation with which a representative of the Corporation is in official contact should be refused with, if necessary, a polite letter explaining the Corporation's rules. Any such offer should be reported to the member of staff's line manager, or where a Board Member is involved, to the Chair. The Chair would report any instances on his/her own behalf to the Chief Executive. The Chief Executive would report any instances on his/her own behalf to the Chair, with a copy of such a report being sent to the Board Secretary. In each instance Members and staff should declare any decline offers of this kind.

FAILURE TO COMPLY

20. Failure to observe these requirements could constitute a disciplinary offence for a member of staff. It could also, in the event of allegations of fraud and/ or corruption, leave the person involved open to criminal proceedings under the Prevention of Corruption Acts.

GIFTS

21. In the context of their representation of or employment by the Corporation, Board Members and Corporation employees should:

- (a) not solicit any gift;
- (b) decline any PERSONAL gift;
- (c) DECLINE OR RETURN any official gift unless;
 - (i) it is trivial (e.g. items such as calendars, diaries, blotters, or other simple pieces of office equipment of modest value) and then only if it bears the company's name or insignia (logo) and can thus be regarded as advertising material; or
 - (ii) refusing would cause **serious** embarrassment;
- (d) where gifts are received in the office and have to be returned, send them back to the donor with a polite covering letter explaining the Corporation's rules and policy;
- (e) accept only in cases where a refusal would clearly cause misunderstanding or offence. When accepted, such *gifts become the property of the organisation*;
- (f) make it clear to the donor (and to anyone else) in the acceptance of any such gift that it has been accepted *on behalf of the Corporation*, and thus that the recipient is gaining no *personal* benefit;
- (g) list in the gifts and hospitality register any gift offered, whether accepted or not, which is valued at over £25; and if any gift so listed is subsequently disposed, this should be carried out in accordance with the appropriate disposal rules;
- (h) NEVER accept gifts of money; and
- (i) report immediately to the Chief Executive any (overt or covert) offer of a gift or other inducement to some action pertaining to a contract.

HOSPITALITY

22. In the context of their representation of or employment by the Corporation, Board Members and Corporation employees should:

- (a) not solicit any hospitality; and
- (b) consider carefully whether it is appropriate to accept any invitation, taking into account:
 - (i) the value: firstly, whether it is sufficiently great in itself to give rise to criticism – the yardstick is the perceived value, rather than the actual cost to the provider. But secondly whether the offer, whatever the value, is disproportionately generous in relation to

normal day-to-day relations with the individual or organisation involved;

- (ii) the frequency: whether it is more frequent or regular than would be regarded as normal or reasonable, taking into account the nature of the event;
 - (iii) the potential for embarrassment: whether the organisation or individual is under investigation or has been criticised by the Government or anyone acting on its behalf, or whether (even if the member of staff involved is not concerned in financial, contractual or regulatory matters), the acceptance of the invitation would still be open to misconstruction or misrepresentation; and
 - (iv) the nature of the host's relationship with the Corporation: contracts which are promotional, representational and/or relate to information gathering are less likely to create (or appear to create) an obligation than those which are regulatory or could lead to a contractual relationship. Particular care is needed where the individual or organisation stands to benefit commercially or in other ways from the goodwill of the Corporation. This applies not just to actual or potential contractors, but to developers or consultants, anyone seeking grants, those subject to regulatory decisions and to lobbying organisations/pressure groups.
- (c) consult management about any hospitality that is disproportionate, frequently repeated or otherwise unusual;
 - (d) treat with special caution any offers of hospitality which include a member of staff's family;
 - (e) have regard to the need to avoid over-representation at any particular event;
 - (f) register all instances accepted other than the trivial, which would include tea/coffee, biscuits/cake, a drink at a reception/public event and working lunches where the value of the food does not exceed £25
 - (g) list in the gifts and hospitality register any hospitality offered, whether accepted or declined, which is valued at over £25;
 - (h) report immediately to the Chief Executive any (overt or covert) offer of hospitality or other inducement to some action pertaining to a contract.

Ongoing hospitality amounting to greater than £50 in any one quarter, or any one-off instances of hospitality greater than £25 must be recorded in a quarterly return to the Chief Executive.

The only exceptions are events hosted by UK Government Departments or other public agencies.

APPENDIX 3

Registrable Interests

The following are examples of types of interests that should be declared for inclusion in the Register of Members' Interests

- 1 employment or business(es).
- 2 Employer's name (or those who have appointed you to work for them)
- 3 The name of any person, company or other body which has a place of business or land in the Urban Development Area, and in which you have a shareholding of more than £25,000 (nominal value) or have a stake of more than 1/100th of the share capital of the company.
- 4 Any contracts between the Corporation and yourself, your firm (if you are a partner) or a company (if you are a paid director or if you have a shareholding as described above) including any lease, licence from the Corporation and any contracts for goods, services or works. Where the contract relates to use of land or a property, the land must be identified on the register.
- 5 Any land and property in the Urban Development Area in which you have a beneficial interest (or a licence to occupy for more than 28 days) including, but not limited to, the land and house you live in and any allotments you own or use.

APPENDIX 4

CODE OF PRACTICE ON ACCESS TO INFORMATION

1. BACKGROUND

1.1 The Freedom of Information (FOI) Act 2000 is “challenged with the task of reversing the working premise that everything is secret, unless otherwise stated, to a position where everything is public unless it falls into specified excepted cases.” (Lord Chancellor’s first Annual Report on the implementation of the Freedom of Information Act 2000; November 2001). It gives a general right of access to all types of recorded information held by public authorities, sets out exemptions from that right and places a number of obligations on public authorities.

1.2 The Act has been phased in over a number of years and has applied to virtually all extant public bodies from 1 January 2005. However, there is no blanket provision; public bodies are included by virtue of their being listed in the Schedule to the Act. For clarification, the FOI Act applies to WNDC.

2. FREEDOM OF INFORMATION (FOI) PROVISIONS

2.1 The Act gives individuals the right to access all information held by public bodies. The Act’s provisions apply to all records; as well as formal files and archives, this means manuscript notes, early drafts, post-it notes if part of a file, emails etc. The fundamental principle is that information is open, accessible and will be released, either automatically or on request.

3. PUBLICATION SCHEME

The Act requires that each public authority adopts and maintains a Publication Scheme setting out details of information it will routinely make available, how the information can be obtained and whether there is any charge for it. WNDC publishes its publication scheme on its website and reviews this annually.

4. EXEMPTIONS

4.1 The following are the main exemptions provided by the Act. All information, including minutes and reports to the Board or Committees, are presumed to be public unless they fall fairly and reasonably within one of the exemptions and it is in the public interest for the exemption to be invoked. Sensitivity and potential embarrassment are not justifiable reasons for exemption under the provisions of the Act.

Section	Exemption	Likely to apply to:	Will not cover:
22	Information held with a view to its publication	Reports on the subject of a future press release,	

		launch, or another specific event	
30	Information held for purposes of a criminal investigation.	Reports relating to advice on prosecution	
36	Information held which, if disclosed, would prejudice the conduct of public affairs or the free and frank provision of advice or exchange of views	Reports on advice to Ministers. Early formulation of policy or strategy	Issues that are merely sensitive or potentially embarrassing
40	Information which is personal data under the Data Protection Act	Employee records Personal financial information	Pay grades for senior management and Board
41	Information supplied in confidence where disclosure would constitute an <u>actionable</u> breach of confidence	Will apply in very limited circumstances. Confidentiality must be asserted by those giving the information	
42	Information in respect of which a claim of legal privilege could be sustained in legal proceedings	Some reports containing legal advice on eg specific case	Reports containing legal advice where disclosure of the advice does no harm; e.g. on the interpretation of legislation
43	Information which constitutes a trade secret or which, if disclosed would prejudice the commercial interests of any person	Reports concerning tenders received from, or contracts to be entered into with, external contractors. Reports seeking pre-application planning advice	

5. ENVIRONMENTAL INFORMATION REGULATIONS 2004

5.1 The Corporation is also subject to the 'environmental information' regime and as a general rule will be required to disclose commercial data provided to it in connection with its public functions.

Environmental Information

5.2 The Environmental Information Regulations 2004 (the **Regulations**) apply more broadly than the Freedom of Information Act 2000, in that they cover any body

carrying out a function of public administration. The Corporation is therefore under the following duties:

- (a) to disclose 'environmental information' held by it that has been requested (regulation 5);
- (b) as soon as possible (and no later than 20 working days) after a request (regulation 5(2));
- (c) operating a presumption in favour of disclosure (regulation 12(2)).

5.3 'Environmental information' is broadly defined, to include (among other things) data on the environment and factors likely to affect it. It also includes information relating to 'administrative measures' affecting or likely to affect elements of the environment (such as policies, legislation, plans, programmes and agreements). Measures or activities designed to protect the environment and 'cost, benefit and other economic analyses and assumptions' used to inform them will also be covered.

5.4 There are a number of potential exceptions to this requirement where WNDC may refuse to disclose information to the extent that—:

Regulation	Exemption
12.4	(a) it does not hold that information when an applicant's request is received; (b) the request for information is manifestly unreasonable; (c) the request for information is formulated in too general a manner and the public authority has complied with regulation 9; (d) the request relates to material which is still in the course of completion, to unfinished documents or to incomplete data; or (e) the request involves the disclosure of internal communications.
12.5	its disclosure would adversely affect— (a) international relations, defence, national security or public safety; (b) the course of justice, the ability of a person to receive a fair trial or the ability of a public authority to conduct an inquiry of a criminal or disciplinary nature; (c) intellectual property rights; (d) the confidentiality of the proceedings of that or any other public

	<p>authority where such confidentiality is provided by law;</p> <p>(e) the confidentiality of commercial or industrial information where such confidentiality is provided by law to protect a legitimate economic interest;</p> <p>(f) the interests of the person who provided the information where that person—</p> <p>(i) was not under, and could not have been put under, any legal obligation to supply it to that or any other public authority;</p> <p>(ii) did not supply it in circumstances such that that or any other public authority is entitled apart from these Regulations to disclose it; and</p> <p>(iii) has not consented to its disclosure; or</p> <p>(g) the protection of the environment to which the information relates.</p>
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Notes

ⁱ "Related parties" in FRS 8 include close members of the family of an individual, who are defined for the purposes of the standard as those family members, or members of the same household, who may be expected to influence, or be influenced by, that person in their dealings with the reporting entity.

ⁱⁱ A personal interest is an interest in any business of WNDC relating to (or likely to affect) either: (1) a registrable interest; (2) or an interest that is not on the Register, but where the well-being or financial position of the Member (or members of their family/ people with whom they have a close association) is likely to be affected more than the majority of the inhabitants of the Designated Areas.

ⁱⁱⁱ Indirect pecuniary interests arise from connections with bodies which have a direct pecuniary interest or from being a business partner of, or being employed by, a person with such an interest. Non-pecuniary interests include those arising from Board Membership of clubs and other organisations. Close family Board Members include personal partners, parents, children (adult and minor), brothers, sisters and the personal partners of any of these.

^{iv} i.e. that Board Members might unfairly regard with favour or disfavour the case of a party to the matter under consideration. In considering whether a real danger of bias exists in relation to a particular decision, Board Members should assess whether they, a close family member, a person living in the same household as the Board member, or a firm, business or organisation with which the Board member is connected are likely to be affected more than the generality of those affected by the decision in question.

This would include, for example, a decision to invite tenders for a contract where a firm with which a member was connected was significantly better placed than others to win it.

^v i.e. a personal interest that both (1) affects the Member's financial interests (or relates to a licensing or regulatory matter); and (2) a member of the public, who knows the relevant facts, would reasonably consider so significant that it is likely to prejudice the Member's judgement of the public interest.