

Written record of a decision taken on behalf of the Leeds City Region Enterprise Partnership (the LEP)

Please forward this form to **Angie Shearon, Governance Services Manager** when completed, as soon as possible, but at the latest **within 5 working days** of the decision.

Decision-maker	LEP Chair [REDACTED]	
Title	Conflicts of Interest Policy and Protocol [REDACTED]	
Date decision taken	[REDACTED] 30 April 2019	
Details of the decision (including any consultation carried out)	The LEP Chair has approved the Conflicts of Interest Policy and Protocol endorsed by the LEP Board.	
Reasons for the decision	<p>In addition to the LEP's Code of Conduct for Members, the LEP Board at its meeting on 26 March 2019 endorsed an overarching Conflicts of Interest Policy, which is attached as Appendix 1 to this record. This provides an overview of conduct-related provisions applying to Members and officers of the Combined Authority and the LEP, with a particular focus on conflicts of interest arising in respect of applications for loans or grants to business which is addressed by way of a Conflicts of Interest Protocol (Appendix 2).</p> <p>To facilitate the joint adoption of these documents by the LEP and the Combined Authority, the LEP Board delegated authority to the LEP Chair to approve the Policy and Protocol on behalf of the LEP, further to their consideration by the Combined Authority on 25 April 2019. The Combined Authority at its meeting on 25 April 2019 endorsed the Policy and Protocol.</p>	
Any alternative option(s) considered and rejected	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, provide details:
Appendices attached to this written record <i>(List and identify any which contain confidential or exempt information)</i>	<ul style="list-style-type: none"> • Appendix 1 – Conflicts of Interest Policy • Appendix 2 – Conflicts of Interest Protocol 	
Background documents to be published with the written record	None	

FORM WroD (LEP) (v1)

Name of any Member who declared a conflict of interest in relation to the decision	None
Contact Officer <i>(for members of the public)</i>	Name: E Davenport
	Post-title: Governance Lawyer
	Telephone number: 0113 3481786
	E-mail: Elizabeth.davenport@westyorks-ca.gov.uk
Authority for Decision	
<p>The decision-maker was authorised to make the decision by:</p> <ul style="list-style-type: none"> • the LEP Board at a meeting, <i>(specify date)</i> OR • LEP governance arrangements <i>(specify document)</i> 	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No LEP Board at its meeting on 25 March 2019</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

Leeds City Region Enterprise Partnership

West Yorkshire Combined Authority

Conflicts of Interest Policy

1. Introduction

The Leeds City Region Enterprise Partnership (the LEP) and the West Yorkshire Combined Authority (the Combined Authority) are 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.

This Conflicts of Interest Policy applies to:

- any member of the LEP Board,
- any member of the Combined Authority,
- any voting member of a Combined Authority committee or panels, including any advisory panel which report to the LEP,
- any officer of the Combined Authority, and
- any officer of a local authority who advise the Combined Authority or LEP.

The policy provides an overview of how conflicts of interest are managed, by reference to the procedures which the LEP and the Combined Authority have in place to maintain high ethical standards and protect their reputation against any allegation of conflicting interests. These include requirements to register and declare interests.

The policy must be followed throughout all decision-making processes; the LEP and the Combined Authority are committed to ensuring that this policy applies to decisions taken at formal meetings or by individuals on behalf of the LEP or the Combined Authority under delegated authority. It is communicated to everyone involved in decision-making by the LEP and Combined Authority, to ensure their commitment to it.

To ensure transparency, the LEP and the Combined Authority record and publish decisions in accordance with agreed procedures.

2. Definition

<p>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.</p>
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Approved on behalf of the Combined Authority by the Managing Director on 30 April 2019, in consultation with the Chair of the Combined Authority and the Chair of the LEP.
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For example, a conflict of interest would arise where a member of the LEP 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 LEP.

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 LEP nor of the Combined Authority.

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.

This policy applies whether they are decision-makers, consultees or involved in any other way in relation to any decision to be taken by the LEP or the Combined Authority.

4. Members of the LEP Board

Members of the LEP Board are required to comply with the **LEP Board Members' Code of Conduct**. The Code requires members to comply with the Nolan Principles and sets out the procedures for registering and declaring pecuniary and non-pecuniary interests, and managing conflicts which arise at a formal meeting of the LEP Board. It also extends to any conflict of interest arising in respect of an urgent decision taken by the Chair on behalf of the LEP.

The LEP Board's **Procedure for Considering Complaints** alleging a failure to comply with the LEP Board Members' Code of Conduct sets out the process that the LEP will follow if a member of the LEP Board is alleged to have failed to comply with the Code.

Registers of interests completed by members of the LEP Board are published on the Combined Authority's web-site, accessible from the LEP's web-site.

The Code also includes specific requirements and restrictions in relation to disclosing an interest:

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- when **considering applications for funding**
- when **applying for a loan or grant**
- when **applying to provide contracted work or services.**

It also addresses **canvassing for appointments** to the Combined Authority.

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

5. **Members of the Combined Authority and voting members of any Combined Authority committee or panel**

These members are required to comply with the **Combined Authority's Members' Code of Conduct**. 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 or panel appointed by the Combined Authority, including advisory panels which report to the LEP.

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 LEP or the Combined Authority.

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

Registers of interests are published on the Combined Authority's web-site.

The Combined Authority's Procedure Standing Orders also specify 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.

6. **Officers**

Officers of the Combined Authority must comply with the **Combined Authority's Officer Code of Conduct** and **Gifts and Hospitality Policy** when they are working for the Combined Authority or advising the LEP.

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The **LEP Constitution** also requires:

- senior officers of the Combined Authority and officers involved in advising the LEP to complete a separate **LEP Officer's register** of interests,
- any officer from another local authority advising the LEP to comply with their authority's officer Code of Conduct, and
- any officer advising the LEP Board to be mindful of potential conflicts of interest, and exclude themselves for advising on any matter where their personal or professional interests are such that their integrity or objectivity may be questioned.

The **Combined Authority's Procedure Standing Orders** require officers of the Combined Authority to disclose any **relationship with a member**. They also reflect statutory provisions relating to:

- prohibiting officers from being operators, directors, partners or employees of public passenger transport services, and
- recording **pecuniary interests in contracts**.

The **Combined Authority's Contracts Standing Orders** addresses potential conflicts of interests arising in respect of **contracts** with the Combined Authority for goods, services or an interest in property.

7. Loans or grants to businesses

At the request of members, to promote greater transparency, the **Conflicts of Interest Protocol: loans or grants to businesses** attached as appendix 1 to this policy, sets out a process which the LEP and 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 LEP, the Combined Authority and for applicants) to minimise the risk of reputational damage from any perception of undue influence.

The process requires additional scrutiny of any application where a potential conflict of interest arises.

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Leeds City Region Enterprise Partnership

West Yorkshire Combined Authority

Conflicts of Interest Protocol: Loans or grants to businesses

1. Purpose

The Codes of Conduct adopted by the LEP and the Combined Authority address how members are required to register and declare pecuniary and other interests at formal meetings where members take decisions.

This **Conflicts of Interest Protocol: loans or grants to businesses** sets out the process which the LEP and the Combined Authority follow to demonstrate that applications from businesses for loans or grants are dealt with in an impartial, fair and transparent way, including where they are considered by officers. It provides an additional safeguard (for the LEP, the Combined Authority and for applicants) to minimise the risk of reputational damage from any perception of undue influence.

The process requires additional scrutiny of any application where a potential conflict of interest arises.

2. Scope

This protocol should be followed where an application for a loan or grant is made by any business (including a company, social enterprise or a sole trader) to the LEP or to the Combined Authority¹.

The protocol applies to:

- any member of the LEP Board,
- any member of the Combined Authority, and
- any voting member of a committee or panel of the Combined Authority, (including an advisory panel which reports to the LEP).

It applies to both local authority and private sector representatives.

3. General

This protocol supplements the Conflicts of Interest Policy. It does not replace or alter any requirement of the Codes of Conduct for the LEP and the Combined Authority,

¹ Including any grant or application under the following funding streams or programmes: Access Innovation, Apprenticeship Grants for Employers, Business Growth Programme, Cycling and Walking Fund, Digital Inward Investment Fund, Growing Places Fund, Resource Efficiency Fund, Strategic Business Growth and Strategic Inward Investment Fund.

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nor any other procedure of the LEP or the Combined Authority which addresses conflicts of interest.

Where any conflict of interest arises outside of those specifically required to be registered or declared under any Code of Conduct, a procedure referred to in the Conflict of Interest Policy or this protocol, a member should declare their interests **erring on the side of caution**, in line with the Nolan Principles.

4. Setting policies and strategies relating to loans and grants

Members must follow the relevant Codes of Conduct which set out requirements for registering and declaring interests at meetings. These Codes restrict members' involvement in decision making at formal meetings of the LEP Board, the Combined Authority and committees and panels where a conflict of interest arises.

However, to secure the input of suitable expertise and a range of representative views into the decision-making process, appropriate involvement in matters in which Members may have an interest² is facilitated by exceptions and dispensations granted under the Codes.

Members are not generally precluded from participating in or voting on developing or setting any overarching policy or strategy, including setting criteria against which any application for a loan or grant will be assessed. However, **this is subject to exceptions** such as where a direct financial interest arises.

At any meeting where an item relates to a **change of criteria** for any loan or grant programme in respect of which a member (or a business in which they have registered an interest) has applied for a loan or grant during the previous 24 months (successfully or otherwise), the member should declare the application. Any such declaration should be noted in the minutes of the meeting, but (unless otherwise precluded by the Code) the member may nevertheless participate and vote in the decision.

A member may, however, choose not to participate or vote in the item if they are aware that any proposed change in criteria may affect an application which they (or the business in which they have registered an interest) intend to make for the loan or grant.

Members should check with the Monitoring Officer if they are unsure whether they may participate or vote in relation to any particular item.

² For example, where they are appointed because of their expertise in a particular sector.

5. Applying for a grant or loan

Each application form for a loan or grant to businesses will ask the applicant to declare whether the applicant, any Director(s) or employee(s) of the business, or their spouse or civil partner³, is:

- a) a member of the LEP Board,
- b) a member of the Combined Authority,
- c) a voting member of any committee or panel appointed of the Combined Authority (including any advisory panel which reports to the LEP), or
- d) an employee of the Combined Authority.

All applicants must declare any potential conflicts of interest on their application form. Failure to do so will affect their application – see section 7 below.

To facilitate this, members who (to comply with a Code of Conduct) have registered an interest in any business⁴, must:

- **notify that business of their involvement** with the LEP or the Combined Authority,
- **ask the business to declare their involvement** as a conflict of interest when applying for any relevant loan or grant, and
- **make arrangements for the business to notify them** on any occasion when the business applies for a relevant loan or grant.

Members must also:

- a) **notify the Monitoring Officer⁵** on each occasion where:
 - they apply for a loan or grant, or
 - a business which is registered as an interest on their register of interest applies for a loan or grant⁶,
 - any other interest arises which may be perceived as giving rise to a conflict of interest (for example, where an application is made by a close friend, or family member, or they are related to an officer of the Combined Authority).

³ Any reference in this protocol to a spouse or partner should be taken as including any person with whom the member lives as a spouse or civil partner

⁴ Including any business interest of their spouse or civil partner which they are required to register.

⁵ The Executive Support Officer (Private Sector Representatives) may receive notifications from private sector representatives, and the Governance Services Manager from local authority representatives on behalf of the Monitoring Officer.

⁶ This includes any interest of their spouse or civil partner which they are required to register.

- b) so far as reasonably practicable **avoid any personal involvement**⁷ with any application to the LEP or the Combined Authority for any loan or grant, or
- c) where it is not reasonably practicable to avoid personal involvement with an application:⁸
 - **declare on any application form their involvement** if they are not a signatory,
 - **not discuss the application verbally** with any officer of the Combined Authority, and
 - **communicate only in writing** about the application after it has been submitted.

6. Advising on loan and grant applications

To avoid improper use of “inside information” about the assessment process for applications, where a member’s role includes or has included **advising on individual grant and loan applications from businesses**, no application from them, their spouse or civil partner, or from a business which they have (or should have) registered as an interest under the relevant Code of Conduct shall be considered until **six months** has elapsed since they carried out that role.

7. Considering loan and grant applications

Every application is considered on its own merits, and no applications are granted unless the eligibility criteria for the loan or grant are met.

No member may participate or vote on any decision-making relating to any application in respect of which they have a conflict of interest.

Members must not seek in any way to improperly influence the outcome of any application which has (or may be) made in which they have an interest.

Where an interest has been declared by an applicant on the application form, and/or a member (or where an interest is otherwise brought to the attention of a relevant Director⁹), the application will not be progressed unless:

- a) the Monitoring Officer has confirmed that:
 - the member has **registered the business as an interest** on their register in accordance with the requirements of the relevant Code of Conduct, and

⁷ This includes advising on, drafting or signing the application

⁸ For example, where they are a sole trader and apply on their own behalf

⁹ Each relevant Director will carry out a **sample audit** of applications at quarterly intervals, to review whether declarations are being made in line with this protocol.

Appendix to the Conflicts of Interest Policy

- a full and complete **declaration of interest** by the member has been received in relation to the application in accordance paragraph 5 of this protocol.

b) the relevant Director has confirmed that:

- a **declaration of interest was made by the applicant** on the application form in accordance with paragraph 5,
- **the member did not discuss the application verbally** with any officer of the Combined Authority after its submission, nor otherwise **seek to improperly influence** the application.

Subject to a) and b) above, where an interest arises, the application should be referred for determination by:

- the Combined Authority's Managing Director, or
- a meeting of the Combined Authority or a relevant committee¹⁰.

An application may only be granted further to a recommendation from a **relevant Director** who has assessed the application, and confirmed that it has been considered on its own merits and meets relevant eligibility criteria.

The decision-maker should take into account any other relevant information which relates to the conflict of interest.

The **record of any decision** about an application where a conflict of interest has arisen must record the conflict of interest declared by the member, and that this protocol has been followed¹¹.

8. Reporting

The Monitoring Officer will **annually report** to the LEP Board and Combined Authority's Governance and Audit Committee on the number and outcome of applications considered in accordance with this protocol and on any breaches of the protocol.

¹⁰ For example, where the Managing Director considers that they should not exercise their delegated authority in respect of the application.

¹¹ This extends to any published record of the loan or grant.