

## **Rother District Council**

Report to	-	Council
Date	-	4 May 2021
Report of the	-	Audit and Standards Committee
Subject	-	References from the Audit and Standards Committee

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The Council is asked to consider the recommendations arising from the Audit and Standards Committee meeting held on 22 March, as set out below.

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### **AUDIT AND STANDARDS COMMITTEE – 22 March 2021**

#### **STANDARDS REPORTS**

##### **AS20/44. CODE OF CONDUCT**

Since the last meeting, the Local Government Association's (LGA) new model Code of Conduct (CoC) had been released, following a consultation exercise to which this Council had responded. However, it was recommended at this stage to retain the Council's existing CoC to maintain consistency across the Districts and Boroughs and this was a view shared by the majority of Monitoring Officers across East Sussex.

Whilst the model CoC was clearer and more user-friendly this alone was not considered enough to justify a recommendation for change by neighbouring East Sussex authorities who felt that it was best at this stage to wait for a model CoC that contained changes of real substance. It was also considered prudent to wait until the Government had responded to the Committee on Standards in Public Life's (CSPL) review into ethical standards and recommendations which might result in further legislative change and meaningful sanctions.

A common CoC was welcome for the dual-hatted Members and this was particularly pertinent in light of the East Sussex County Council (ESCC) elections taking place in May this year and the likelihood of a number of dual-hatted Members being elected.

Should Members agree to retain the Council's existing CoC, a number of minor differences had been identified and it was recommended to update the Council's CoC to bring it into line with that of ESCC, which were highlighted within the report. The Council's position with regard to the CoC would be reviewed when the Government's response to the CSPL's recommendations were known.

The Committee was fully supportive of the recommendations proposed and agreed that an aligned CoC with ESCC and other local authorities would be extremely helpful, particularly for dual-hatted Members.

**RECOMMENDED:** That:

- 1) in order to maintain consistency across the East Sussex authorities the Council's existing Code of Conduct be retained at the current time and amended to bring it in line with East Sussex County Council's version as set out at Appendix A; and
- 2) this Council's position and Code of Conduct be reviewed when the Government's response to the Committee on Standards in Public Life's recommendations is known.

(Audit and Standards Agenda Item 5)

AS20/45. **INDEPENDENT PERSON RECRUITMENT**

At the last meeting, the Committee was advised of the need to appoint an Independent Person (IP) following the expiry of the Term of Office of two of the Council's three IPs in July 2021. The process to be undertaken was agreed and the Committee recommended that one appointment be made.

The Committee agreed that the Chairman of the Committee, the Chief Executive together with the Monitoring Officer comprised a panel to interview the suitable applicants and make a recommendation to the Audit and Standards Committee and then on to full Council on 17 May 2021.

At the closing date (29 January 2021), nine applications had been received and four candidates were shortlisted for interview, held on 18 February 2021. The expectations of the role in terms of regular attendance at meetings and contributions to committee discussions on standards matters were explained to each applicant at interview.

The standard of the applicants was very good and the Panel was confident to recommend that Mr Robert Brown be appointed to serve as one of the Council's IPs and for his name to be put forward for approval by full Council on Monday 17 May 2021.

**RECOMMENDED:** That Robert Brown be appointed as an Independent Person in accordance with Chapter 7, Section 28 of the Localism Act 2011, for a term of four years commencing from 10 July 2021.

(Audit and Standards Agenda Item 6)

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**AUDIT REPORTS**

AS20/46. **RISK MANAGEMENT UPDATE**

Members considered the update report that covered major issues in risk management during 2020/21. Risk referred to the uncertainty that surrounded future events and outcomes and it was essential that the

Council had a strong approach to risk management, particularly with the current environment, a global pandemic and ongoing substantial financial pressures.

2020/21 was dominated with the impact of the COVID-19 pandemic in terms of the Council's operations and finances supporting the community and business. At the September meeting, several risks were identified, two of which required further work, namely sustainably meeting a long-term crisis e.g. expand the Council's business continuity plans and supply chains and contractor resilience e.g. to provide on-going long-term financial support. Despite the national lockdowns, the Council was able to maintain services however this might not be achievable once restrictions were lifted. It was not known whether further Government funding would be forthcoming to support the Council.

The Corporate Risk Register (CRR) had been updated to reflect the most recent review by the Corporate Management Team (CMT). At present the CRR indicated the likelihood of a further pandemic remaining at its highest level. With the advances in medical science and the measures undertaken by the Council to ensure full home working, it was felt that the impact on service delivery going forward had been mitigated to a significant extent. Further risks added to the CRR were failure to comply with legislation and delivery of the Corporate Plan.

The Council maintained a Risk Management Policy (RMP) as detailed at Appendix B to the report which set out the responsibilities of Members, CMT and Heads of Service. This was backed up by the Risk Management Framework which was underpinned by service and project based risk registers. The RMP had been updated to reflect the current officer structure of the Council. It was suggested that between June 2021 and September 2022, the Audit and Standards Committee reviewed each service risk register, as ongoing financial pressures on the Council increased risks which would have to be actively managed by both officers and Members.

**RECOMMENDED:** That the amended Risk Management Policy at Appendix B to the report be adopted.

The Audit and Standards Committee also **RESOLVED:** That the:

- 1) Council's Corporate Risk Register at Appendix A to the report be noted; and
- 2) Heads of Service be invited to future meetings to review their service risk registers as follows:
  - June 2021 – Environmental Services, Licensing and Community Safety
  - September 2021 – Acquisitions, Transformation and Regeneration
  - December 2021 – Neighbourhood Services
  - March 2022 – Resources and Corporate Core

- September 2022 – Strategy and Planning

(Audit and Standards Agenda Item 14)

AS20/47. **AUDIT INDEPENDENT PERSON RECRUITMENT**

In June 2020, at the recommendation of the Committee, it was agreed that an Audit Independent Person (AIP) be appointed to the Audit and Standards Committee (A&SC). The AIP would be a non-elected member of the public with some experience in audit, a non-voting member of the Committee and present in an advisory / consultative manner only.

Members agreed that the Chairman of the A&SC, the Assistant Director Resources together with the Audit Manager comprised a panel to interview the suitable applicants and make a recommendation to the A&SC and then on to full Council on 17 May 2021.

At the closing date (29 January 2021), three applications had been received and two candidates were interviewed on 18 February 2021, via MS Teams. The expectations of the role in terms of regular attendance at meetings and contributions to committee discussions were explained to each applicant at interview.

The calibre of the applicants was high and the Panel was confident to recommend that Mr Patrick Farmer be appointed to serve for an initial period of two years with the option of extending this for a further two years as the Council's AIP and for his name to be put forward for approval by full Council on Monday 17 May 2021.

**RECOMMENDED:** That Patrick Farmer be appointed as the Council's Audit Independent Person, for an initial term of two years (extendable for a further two years) with effect from 18 May 2021.

(Audit and Standards Agenda Item 15)

Councillor A.K. Jeeawon  
Chairman of the Audit and Standards Committee

# CODE OF CONDUCT FOR MEMBERS



The Code of Conduct, adopted by Rother District Council on ~~4 May 2021~~ July 2019 is set out below. It is made under Chapter 7 of the Localism Act 2011. It includes, as standing orders made under Chapter 7 of that Act and Schedule 12 of the Local Government Act 1972, provisions which require Members to leave meetings in appropriate circumstances, while matters in which they have a personal and prejudicial or disclosable pecuniary interest are being considered.

## PART 1

### GENERAL PROVISIONS

#### Introduction and Interpretation

1. (1) The Code applies to **you** as a Member of the authority, when acting in that capacity.
- (2) This Code is based upon seven principles fundamental to public service which are set out in Appendix 1. You should have regard to these principles they will help you to comply with the Code.
- (3) If you need guidance on any matter under this Code you should seek it from the authority's Monitoring Officer or your own legal advisor – but it is entirely your responsibility to comply with the provisions of this Code.
- (4) It is a criminal offence to fail to notify the authority's Monitoring Officer of a disclosable pecuniary interest, to take part in discussions or votes at meetings, or to take a decision where you have a disclosable pecuniary interest, without reasonable excuse. It is also an offence to knowingly or recklessly provide false or misleading information to the authority's Monitoring Officer.
- (5) Any written allegation received by the authority that you have failed to comply with this Code will be dealt with by the authority under the arrangements which it has adopted for such purposes. If it is found that you have failed to comply with the Code, the authority has the right to have regard to this failure in deciding;
  - (a) whether to take action in relation to you; and
  - (b) what action to take.
- (6) Councillors should not seek to misuse the standards process, for example, by making trivial or malicious allegations against another councillor for the purposes of political gain.

(7) In this Code –

“authority” means Rother District Council

“Code” means this Code of Conduct

“co-opted member” means a person who is not a member of the authority but who –

- (a) is a member of any committee or sub-committee of the authority, or
- (b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority.

and who is entitled to vote on any questions to be decided at any meetings of that committee or sub-committee.

“meeting” means any meeting of

- (a) the authority;
- (b) the executive of the authority;
- (c) any of the authority’s or its executive’s committees, sub-committees, joint committees, joint sub-committees, or area committees;

“member” includes a co-opted member.

“register of members’ interest” means the authorities’ register of members’ pecuniary and other interests established and maintained by the authority’s Monitoring Officer under section 29 of the Localism Act 2011.

## **Scope**

2. (1) Subject to sub-paragraphs (2) and (3), you must comply with the Code whenever you –

- (a) conduct the business of your authority (which, in this Code, includes the business of the office to which you are elected or appointed); or
- (b) act, claim to act or give the impression you are acting as a representative of your authority.

and references to your official capacity are construed accordingly.

(2) this Code does not have effect in relation to your conduct other than where it is in your official capacity.

(3) Where you act as a representative of your authority –

- (a) on another relevant authority, you must, when acting for that other authority, comply with that other authority’s code of conduct; or

- (b) on any other body, you must, when acting for that other body, comply with your authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

### **General Obligations**

- 3. (1) You must treat others with respect.
- (2) You must not –
  - (a) do anything which may cause your authority to breach any of its equality duties (in particular set out in the Equality Act 2010);
  - (b) bully or harass any person; bullying may be characterised as: offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Harassment may be characterised as unwanted conduct which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for an individual;
  - (c) intimidate or attempt to intimidate any person who is or is likely to be –
    - (i) a complainant;
    - (ii) a witness, or
    - (iii) involved in the administration of any investigation or proceedings, in relation to an allegation that a Member (including yourself) has failed to comply with his or her authority's code of conduct; or
  - (d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, your authority.
- 4. You must not –
  - (a) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where –
    - (i) you have the consent of the person authorised to give it;
    - (ii) you are required by law to do so;
    - (iii) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or
    - (iv) the disclosure is –

- (a) reasonable and in the public interest; and
  - (b) made in good faith and in compliance with the reasonable requirements of the authority; or
- (b) prevent another person from gaining access to information to which that person is entitled by law.
- 5. You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or authority into disrepute.
- 6. You –
  - (1) must not use or attempt to use your position as a Member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage;
  - (2) must, when using or authorising the use by others of the resources of your authority –
    - (a) act in accordance with your authority's reasonable requirements;
    - (b) ensure that such resources are not used improperly for political purposes (including party political purposes);
  - (3) must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986; and
  - (4) must comply with any request regarding the provision of information in relation to a complaint alleging a breach of the Code of Conduct and must comply with any formal standards investigation.
- 7. (1) When reaching decisions on any matters you must have regard to any relevant advice provided to you by –
  - (a) your authority's Chief Finance Officer; or
  - (b) your authority's Monitoring Officer,where that officer is acting pursuant to his or her statutory duties.
- (2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.



## PART 2

### INTERESTS

#### Personal Interests

8. (1) The interests described in paragraphs 8(3) are your personal interests and the interests in paragraph 8(5) are your pecuniary interests which are disclosable pecuniary interests as defined by section 30 of the Localism Act 2011.
- (2) If you fail to observe Parts 2 and 3 of the Code in relation to your personal interests-
- (a) the authority may deal with the matter as mentioned in paragraph 1(5).
  - (b) if the failure is related to a disclosable pecuniary interest, you may also become subject to criminal proceedings as mentioned in paragraph 1(4).
- (3) You have a personal interest in any business of your authority where either –
- (a) it relates to or is likely to affect –
    - (i) any body of which you are a member or in the position of general control or management and to which you are appointed or nominated by the authority;
    - (ii) any body –
      - (a) exercising functions of a public nature;
      - (b) directed to charitable purposes; or
      - (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),

of which you are a member or are in a position of general control or management;

~~(iii) any employment or business carried on by you;~~

~~(iv) any person or body who employs or has appointed you;~~

~~(v) any person or body, other than a relevant authority who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties;~~

~~(vi) any person or body who has a place of business or land in your authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);~~

~~(vii) any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of a description specified in paragraph (vi);~~

(iii) the interest of any person from whom you have received a gift or hospitality with an estimated value of at least £50;

~~(ix) any land in your authority's area in which you have a beneficial interest;~~

~~(x) any land where the landlord is your authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;~~

(b) a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of (in the case of authorities with electoral divisions or wards) other council tax payers, ratepayers or inhabitants of the electoral division or ward, as the case may be, affected by the decision;

(4) In sub-paragraph 8(3)(b), a relevant person is –

(a) a member of your family or a [close] friend; or

(b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;

(c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or

(d) any body of a type described in sub-paragraph (3)(a)(i) or (ii).

(5) Subject to sub-paragraphs (6) and (7), you have a personal interest which is also a disclosable pecuniary interest as defined by section 30 of the Localism Act 2011 in any business of your authority which concerns any of the following for (i) you or (ii) your partner-

Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards

	your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992(1).
Contracts	Any contract which is made between you (or a body in which you have a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which you have a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to your knowledge) has a place of business or land in the area of the relevant authority; 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 the I have a beneficial interest exceeds one hundredth of the total issued share capital of the class.

These descriptions on interests are subject to the following definitions:

'body in which the relevant person has a beneficial interest' means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

'director' includes a member of the committee of management of an industrial and provident society;

'land' includes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

'M' means the person M referred to in section 30 of the Localism Act 2011;

'member' includes a co-opted member;

'relevant authority' means the authority of which M is a member;

'relevant period' means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) of the Localism Act 2011;

'relevant person' means M or any other person referred to in section 30(3)(b) of the Localism Act 2011;

'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

- (6) In sub-paragraph (5), your partner means –
- (a) your spouse or civil partner,
  - (b) a person with whom you are living as husband or wife, or
  - (c) a person with whom you are living as if you were civil partners,
- (7) In sub-paragraph (5), any interest which your partner may have is only treated as your interest if you are aware that your partner has the interest.

### **Disclosure of Personal Interests (See also Part 3)**

9. (1) Subject to sub-paragraphs (2) to (6), where you have a personal interest in any business of your authority and you attend a meeting of your authority at which any matter relating to the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.
- (2) If the personal interest is entered on the authority's register there is no requirement for you to disclose the interest to that meeting, but you should do so if you wish a disclosure to be recorded in the minutes of the meeting.
- (3) Sub-paragraph (1) only applies where you are aware or ought reasonably to be aware of the existence of the personal interest.
- (4) Where you have a personal interest but, by virtue of paragraph 14, sensitive information relating to it is not registered in your authority's register of members' interests, you must indicate to the meeting that you have a personal interest and, if also applicable, that it is a disclosable pecuniary interest, but need not disclose the sensitive information to the meeting.
- (5) Subject to paragraph 12(1)(b), where you have a personal interest in any business of your authority and you have made an executive decision on any matter in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.

- (6) In this paragraph, “executive decision” is to be construed in accordance with any regulations made by the Secretary of State under section 22 of the Local Government Act 2000.

### **Prejudicial Interest Generally**

- 10.** (1) Subject to sub-paragraph (2), where you have a personal interest in any business of your authority you also have a prejudicial interest in that business where either –
- (a) the interest is a disclosable pecuniary interest as described in paragraph 8(5), or
  - (b) the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.
- (2) For the purposes of sub-paragraph (1)(b), you do not have a prejudicial interest in any business of the authority where that business –
- (a) does not affect your financial position or the financial position of a person or body described in paragraph 8;
  - (b) does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 8; or
  - (c) relates to the functions of your authority in respect of –
    - (i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;
    - (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
    - (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;
    - (iv) an allowance, payment or indemnity given to members;
    - (v) any ceremonial honour given to members; and
    - (vi) setting Council Tax or a precept under the Local Government Finance Act 1992.

## Interests arising in relation to Overview and Scrutiny Committees

11. You also have a personal interest in any business before an Overview and Scrutiny Committee of your authority (or of a sub-committee of such a committee) where –
- (a) that business relates to a decision made (whether implemented or not) or action taken by your authority's executive or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and
  - (b) at the time the decision was made or action was taken, you were a Member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.

## Effect of Prejudicial and Pecuniary Interests on Participation

12. (1) Subject to sub-paragraph (2) and (3), where you have a prejudicial and disclosable pecuniary in any matter in relation to the business of your authority –
- (a) you must not participate, or participate further, in any discussion of the matter at any meeting, or participate in any vote, or further vote, taken on the matter at the meeting and must withdraw from the room or chamber where the meeting considering the matter is being held –
    - (i) in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;
    - (ii) in any other case, whenever it becomes apparent that the matter is being considered at that meeting;unless you have obtained a dispensation from your authority's Monitoring Officer or Standards Committee;
  - (b) you must not exercise executive functions in relation to that matter; and
  - (c) you must not seek improperly to influence a decision about that matter.
- (2) Where you have a prejudicial interest in any business of your authority which is not a disclosable pecuniary interest as described in paragraph 8(5), you may attend a meeting (including a meeting of the Overview and Scrutiny Committee of your authority or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

- (3) Where you can have a prejudicial interest which is not a disclosable pecuniary interest as described in paragraph 8(5), arising solely from membership of any body described in 8(3)(a)(i) or 8(3)(a)(ii)(a) then you do not have to withdraw from the room or chamber and may make representations to the committee but may not participate in the vote.

## **PART 3**

### **REGISTRATION OF INTERESTS**

#### **Registration of Members' Interests**

- 13.** (1) Subject to paragraph 14, you must, within 28 days of-
- (a) this Code being adopted by the authority; or
  - (b) your election or appointment to office (where that is later), register in the Register of Members' Interests details of –
    - (i) your personal interests where they fall within a category mentioned in paragraph 8(3)(a) and
    - (ii) your personal interests which are also disclosable pecuniary interests where they fall within a category mentioned in paragraph 8(5)
- by providing written notification to your authority's Monitoring Officer.
- (2) Subject to paragraph 14, you must, within 28 days of becoming aware of any new personal interest falling within sub-paragraphs (1)(i) or (1)(ii) or any change to any personal interest registered under sub-paragraphs (1)(i) or (1)(ii), register details of that new personal interest or change by providing written notification to your authority's Monitoring Officer.

#### **Sensitive Information**

- 14.** (1) Where you consider that the information relating to any of your personal interests is sensitive information, and your authority's Monitoring Officer agrees, the Monitoring Officer shall not include details of the interest on any copies of the Register of Members' Interests which are made available for inspection or any published version of the register, but may include a statement that you have an interest, the details of which are withheld under this paragraph.
- (2) You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under paragraph (1) is no longer sensitive information, notify your authority's Monitoring Officer asking that the information be included in the Register of Members' Interests.
- (3) In this Code, "sensitive information" means information, the details of which, if disclosed, could lead to you or a person connected with you being subject to violence or intimidation.

#### **Dispensations**

- 15.** (1) The Monitoring Officer may, on a written request made to the Monitoring Officer of the authority by a Member, grant a dispensation relieving the Member from either or both of the restrictions in paragraph



- 12(1)(a) (restrictions on participating in discussions and in voting), in cases described in the dispensation.
- (2) A dispensation may be granted only if, after having had regard to all relevant circumstances, the Monitoring Officer –
    - (a) considers that without the dispensation the number of persons prohibited by paragraph 12 from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business;
    - (b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business;
    - (c) considers that granting the dispensation is in the interests of persons living in the authority's area;
    - (d) if it is an authority to which Part 1A of the Local Government Act 2000 applies and is operating executive arrangements, considers that without the dispensation each Member of the authority's executive would be prohibited by paragraph 12 from participating in any particular business to be transacted by the authority's executive; or
    - (e) considers that it is otherwise appropriate to grant a dispensation.
  - (3) A dispensation must specify the period for which it has effect, and the period specified may not exceed four years.
  - (4) Paragraph 12 does not apply in relation to anything done for the purpose of deciding whether to grant a dispensation under this paragraph.

## The 7 Principles of Public Life

The principles of public life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs, and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

### Selflessness

1. Holders of public office should act solely in terms of the public interest.

### Integrity

2. 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 in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

### Objectivity

3. Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### Accountability

4. 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

5. 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 doing so.

### Honesty

6. Holders of public office should be truthful.

### Leadership

7. 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.

**Risk Management Policy****Introduction**

1. This is the Rother District Council Risk Management Policy. It sets out the Council's approach to Risk Management and how this will be monitored. It also outlines the principles of operation for risk.

**Definition**

2. Risk management is the way that the Council responds to uncertainty in the external environment. Risk management allows the Council to:
  - a. Identify risks in the context of Corporate objectives, including potential opportunities.
  - b. Assess risks to determine the likelihood and impact of each risk.
  - c. Determine the response to each risk individually.
  - d. Develop the necessary actions, controls and processes to implement the chosen response to each risk.
  - e. Communicate the approach to risk management and the results of risk management activity.
  - f. Deal with each risk – either avoid, reduce, share or accept it.
  - g. Exercise the contingencies for managing risks.

**Risk Culture**

3. A strong business wide risk culture is an important aspect of strong corporate governance. Risk Culture is the shared values, attitudes and practices that characterise how the Council considers risk on a day to day basis.
  - a. Awareness of risks faced by the Council.
  - b. Understanding of the business and the relevance of risk.
  - c. Clear ownership of risks.
  - d. Clearly defined responsibilities for risk management activity.
  - e. Effective monitoring and reporting of the effectiveness of risk.
4. Whilst the Council should not be risk averse, the principles contained within this policy ensure that the Council strikes the right balance in its approach to business opportunity and risk management.
5. It is also important to set a boundary between risk management and operational management activity, which by its nature has an element of risk management. Generally the boundary adopted by this policy is where the impact becomes Corporate, whilst also acknowledging that there are service based activities whose impact should be considered a Corporate Risk.

**Risk Framework**

6. The Council's Risk framework is based on a number of elements, closely linked to the Council's Business Continuity Planning process and also the Corporate Plan project management programme. The principle here to enable a live, easy to use framework that emphasises a flexible response based on experience from exercises. The elements are:

- a. The Council's Risk Management Policy.
  - b. Risk Matrix.
  - c. Established contingencies.
  - d. Corporate Project Management.
  - e. Business Continuity Plan.
7. The Council works on the basis of a 3 Tier framework of Risk:
- a. Corporate Risks – risk that potentially impact on the whole operation of the Council.
  - b. Service Based Risks - risk that have a specific impact on a Service within the Council, without necessarily impacting on all our operations.
  - c. Project Based Risks - risk that are around key Corporate Plan Projects. As such these form part of the project management plan for the project.
8. This is a live framework and will be subject to regular change, in line with the business operations of the Council.

## **Responsibility & Reporting**

9. The responsibilities within this policy are outlined below:

### **Council**

Any policy decisions on Risk are fed through to full Council, via the Audit and Standards Committee. Policy updates will be brought forward as required.

### **Audit and Standards Committee**

The Audit and Standards Committee is the body responsible for monitoring the Council's strategic risk management. An annual report will be considered by the Audit and Standards committee on our progress with Risk Management.

### **Corporate Management Team**

Corporate Management Team has the following responsibilities:

- a. Implementing the risk management policy.
- b. Reviewing the management of strategic risk.
- c. Monitoring the effectiveness of the controls developed to implement the chosen risk response.
- d. Integrating risk management into project and service planning process.
- e. Ensuring that appropriate training is put in place for appropriate officers and that it is reflected in the Member Development programme.

This will be formally considered on a 6 monthly basis, and whenever specific risk issues arise. The Assistant Director, Resources will lead on this for Rother, reporting to CMT.

### **Heads of Service and Corporate Core**

Heads of Service and senior managers within the Corporate Core are key in maintaining our ability to manage risk. They are responsible for working with CMT to maintain the corporate risk matrix. They also maintain a Service based risk register (as required). Finally they ensure projects based within their Service area have risk management in place.