

**15 JUNE 2020**

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## **DISCLOSURE OF INTERESTS – UPDATE REPORT**

### **REPORT OF CCR CITY DEAL DIRECTOR**

#### **AGENDA ITEM 8**

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##### **Reason for this Report**

1. This report provides an overview of progress that has been made in response to the recommendations from Wales Audit Office (WAO) in respect of Disclosure of Interests to Regional Cabinet in October 2019.

##### **Background**

2. During the process of audit of Financial Statements Report for 2018/19, Wales Audit Office's (WAO) work highlighted an issue in respect of Registration of Member's Interests, this was subsequently followed up by a proposal of improvements for the City Deal Office to implement under the advice of the Accountable Body. Full details of the issue and the report can be found in background paper 1.
3. In summary, the correspondence from WAO received by the City Deal Office highlighted that neither CCR Officers, Regional Cabinet nor the Accountable Body's Monitoring Officer were made aware of a Cabinet members personal interests in relation to a City Deal Investment, their conclusion was their non-disclosure breached the Member Code of Conduct.

##### **Issues**

4. Proposals for Improvement received from WAO recommend that (given the nature of City Deal activities related to major investment decisions, inherent in which is commercially sensitive and confidential information) Regional Cabinet members and officers should be clear about their responsibilities with regard to the registration of individual interests and the declaration processes which must be followed.
5. The letter makes four recommendations which relate to emphasising processes and protocol and how these might be best enhanced and reinforced. The

recommendations are set out in the table below, alongside the City Deal suggested response - as at October 2019, alongside an update of activities delivered to date. It should be noted that beyond the focus on process for members and officers involved in City Deal, the response goes wider to external partners and advisory groups that form part of City Deal governance structures. This is particularly important in the light of the operationalisation of the Investment and Intervention Framework and the pipeline of investment activity now being actively developed, delivered and thus, considered by a number of relevant partnership bodies.

6. It should be further noted that in respect of Recommendations which states that the Joint Working Agreement (JWA) should be amended to reflect the protocol to be agreed by the City Deal Council's Monitoring Officers, advice received from the Accountable Body suggests that a line is added to Paragraph 3.56 of the JWA (Reputation and Standing). This is proposed to read: '*A Protocol will be agreed between the Monitoring Officers of the Councils to set out a process to ensure a consistent approach to the interpretation of issues relating to potential conflict of interest under the Member Code of Conduct*'. Further advice received by the Accountable Body provides assurance that since this is neither a substantive nor material change to the JWA, this can be agreed by full Cabinet without recourse to the ten Councils.
  
7. The following table highlights activity that has been completed to-date. It should also be noted that discussions and liaison with WAO has been ongoing in respect of this issue and that this continues to be a constructive input and challenge into the process.

Table 1 – Recommendations and Completed Activity

WAO Recommendation as at September 2019	CCR Response as at October 2019	Activity Completed to Date as at May 2020
<p><b><i>Recommendation i. Remind all Regional Cabinet Members that it is their personal responsibility to ensure that they understand their obligations under the Model Code of Members Conduct. In particular, they must act in a way that demonstrates that they both understand and are committed to meeting the high standards of conduct that is expected of them.</i></b></p>	<p><i>CCR/ Accountable Body Monitoring Officer (or suitable representative) with CCR Director to hold a mandatory Code of Conduct briefing/training session for all of the members of the Joint Committee. This session will be repeated for any new members of the Joint Committee.</i></p> <p><i>This slot will be scheduled for after the late autumn 2019 briefing session.</i></p> <p><i>In addition to this, a workshop session will take place at the Cabinet Away Day on 26 October 2019.</i></p>	<p>CCR Accountable Body Monitoring Officer delivered a briefing session to the Regional Cabinet at the Strategic Planning Day on the 26 October 2019. 8 out of 10 Regional cabinet Members were in attendance. A 'mop' up session was later held for the 2 remaining Members after a Regional Cabinet Meeting on 9 March 2020.</p> <p>Briefing papers and documents have been made available and circulated to all Members.</p> <p>Further follow up guidance has been circulated to all Members with an updated Disclosure Form for 20/21 with all returns being made.</p>

WAO Recommendation as at September 2019	CCR Response as at October 2019	Activity Completed to Date as at May 2020
<p><b><u>Recommendation ii.</u></b>  <b><i>Provides further training to Regional Cabinet Members in respect of situations where potential interests could affect public perception of Cabinet Members' ability to take decisions in the public interest and not for personal gain or benefit.</i></b></p>	<p><i>In addition to the above, a meeting will be held with the Monitoring Officers' Forum to repeat the briefing session and stimulate dialogue and scenario-based discussion regarding the process, potential challenges and issues and opportunities. This will include the development of a protocol setting out an agreement between Monitoring Officers and the Accountable Body's Monitoring Officer re: dealing with potential interests in a City Deal context.</i></p> <p><i>The process of training and briefings will be repeated with officers, RTA, REGP and the Regional Business Council.</i></p>	<p>Briefing sessions have been held with the Regional Transport Authority; Regional Economic Growth Partnership, CSC Foundry Board and the Investment Panel. A session has not been held with the Regional Business Council to date, as review is currently being undertaken of its membership, function and future structure and as such, at this time, it is not operational.</p> <p>The Monitoring Officer's Group has considered a Protocol for Disclosures of Interest and this was re-named 'Agreed Code of Conduct Protocol' and published on 3 March 2020. This has been shared widely and is available on the City Deal website.</p>
<p><b><u>Recommendation iii.</u></b>  <b><i>Emphasises the need for Regional Cabinet Members to inform the Accountable Body's Monitoring Officer of any potential interests at the same time as they notify their respective authority's Monitoring Officer.</i></b></p>	<p><i>To be included in the above Code of Conduct briefing/training session, and in the proposed protocol setting out an agreement between the Monitoring Officers of all the City Deal member Councils and the Accountable Body's Monitoring Officer re: dealing with potential interests relating to City Deal matters.</i></p>	<p>This is covered under the above agreed Code of Conduct Protocol.</p>
<p><b><u>Recommendation iv.</u></b>  <b><i>Ensures that where regional or Joint Committee arrangements exist, there is sufficient communication between the authority's Monitoring Officer and the accountable body so that it is satisfied that both the registration and declaration of member's interests is appropriate and transparent. The Joint Working Agreement should therefore be amended to reflect this.</i></b></p>	<p><i>An agreed protocol will be developed between the Monitoring Officers of all of the City Deal Councils, including an agreement that the Monitoring Officers will consult with each other and take a consistent approach to the interpretation of Code of Conduct issues, and inform the City Deal Accountable Body Monitoring Officer of any requests for advice by Joint Committee members on potential conflict issues.</i></p>	<p>Declaration of interest forms have been completed for</p> <ul style="list-style-type: none"> <li>• Regional Cabinet Members</li> <li>• City Deal Officers</li> <li>• Programme Board</li> <li>• Regional Transport Authority</li> <li>• Economic Growth Partnership</li> <li>• Investment Panel</li> <li>• CSC Foundry Ltd</li> </ul> <p>The agreed Code of Conduct protocol is now in place.</p>

WAO Recommendation as at September 2019	CCR Response as at October 2019	Activity Completed to Date as at May 2020
	<p><i>The JWA be amended to reflect this by adding to paragraph 3.56 of the JWA the words in bold as follows:</i></p> <p><i>Paragraph 3.56 of the JWA relates to Reputation and Standing and specifies that the Councils agree that, in relation to the JWA and the City Deal generally, they shall pay the utmost regard to the standing and reputation of one another, and act with regard to each Council's own employer and member codes of conduct and shall not do or fail to do anything which may bring the standing or reputation of any other Council into disrepute or attract adverse publicity to any other Council. <b>A protocol will be agreed between the Monitoring Officers of the Councils to set out a process to ensure a consistent approach to the interpretation of issues relating to potential conflicts of interest under the member code of conduct.</b></i></p>	<p>The JWA has been amended to reflect the revised change and this has been approved by Regional Cabinet.</p>

### Reasons for Recommendations

8. This report provides Members with a full update on the actions taken in respect of the 4 recommendations made by WAO (Sept 2019) in relation to disclosure of interests. This report also highlights the significance of ongoing issues around Disclosures of Interest and that this is not a point in time consideration – but an ongoing one which will be kept under constant review. The City Deal Office and Accountable Body will play its part in the appropriate ways in this, however the local Monitoring Officer advice and burden of responsibility on individuals, remains paramount.

### Financial Implications

9. This report has no direct financial implications. Disclosures of interests are reviewed when preparing and auditing financial statements to identify material 'Related party' transactions.

## Legal Implications

10. This report provides a summary of CCRCD's progress made following the recommendations from the Wales Audit Office (WAO) in respect of Disclosure of Interests to Regional Cabinet. There are no legal implications arising directly from this report.

## Well-being of Future Generations

11. In developing the Plan and in considering its endorsement regard should be had, amongst other matters, to:

- a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;
- b) public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: a. age; b. gender reassignment; c. sex; d. race – including ethnic or national origin, colour or nationality; e. disability; f. pregnancy and maternity; g. marriage and civil partnership; h. sexual orientation; i. religion or belief – including lack of belief, and;
- c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRCD) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the Regional Cabinet should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

Put simply, this means that Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- look to the long term;

- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 national well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

12. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 2.

## **RECOMMENDATION**

13. It is recommended that the Cardiff Capital Region Regional Cabinet:

- a) notes completion of the recommended improvements made by the WAO in respect of Disclosures of Interests.

**Kellie Beirne**  
**CCR Director**  
**15 June 2020**

## **Appendices**

Appendix 1 Agreed Code of Conduct Protocol

Appendix 2 Future Generations Assessment

## **Background Papers**

<https://www.cardiffcapitalregion.wales/event/special-regional-cabinet-meeting/>

## Protocol – City Deal Joint Committee Code of Conduct issues

### Introduction

Pursuant to paragraph 3.5.6 to the Joint Working Agreement in respect of the Cardiff Capital Region City Deal dated 1 March 2017, this protocol sets out the process to ensure a consistent approach to the interpretation of issues relating to potential conflicts of interest under the member code of conduct.

### Purpose

The Monitoring Officers<sup>1</sup> of the Councils agree to work together to ensure where Regional or Joint Committee arrangements exist, there is communication between the Council's Monitoring Officers and the Accountable Body's<sup>2</sup> Monitoring Officer so that it is satisfied that both the registration and declaration of members interests is appropriate and transparent.

### Protocol

1. It is each Member's personal responsibility to understand and comply with their Council's own Member Code of Conduct and it is the responsibility of each Member to seek specific advice from their own Monitoring Officer on any code of conduct issues.
2. The Monitoring Officer for each of the Councils agrees to inform the Accountable Body's Monitoring Officer, in writing by email, as soon as reasonably practicable on becoming aware of any requests for advice by any Joint Committee Members on potential conflict issues.
3. The Monitoring Officer for the relevant Council shall be open to sharing their advice/interpretation of the Code of Conduct and provide an opportunity for the Accountable Body's Monitoring Officer to consider the issue and provide a view.
4. If the Accountable Body's Monitoring Officer's view differs from the Monitoring Officer for the relevant Council, both Monitoring Officers shall agree to discuss as soon as practicable any issues and work towards an agreed joint view. This agreed joint view will then be shared with the Member who so requested the advice.
5. In the unlikely event a joint view cannot be agreed following a discussion between the Monitoring Officers, the Accountable Body's Monitoring Officer has the right to form a final view and share that view with the Member who so requested the advice.
6. The Monitoring Officers agree to meet as and when required and work together to provide support to all Members of the Joint Committee.
7. This protocol shall be updated as agreed between the Councils' Monitoring Officers.

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<sup>1</sup> The term Monitoring Officer shall include their Deputies or any other nominated advisor

<sup>2</sup> Accountable Body means Cardiff Council

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## Future Generations Assessment

<b>Name of the Officer completing the evaluation:</b>  <b>Kellie Beirne</b>  <b>Phone no: 07826 919286</b> <b>E-mail: kellie.beirne@cardiff.gov.uk</b>	<b>Please give a brief description of the aims of the proposal</b>  Update on proposals for improvement progress – against WAO letter of September 2019.
<b>Proposal: Disclosure of Interest</b>	<b>Date Future Generations Evaluation form completed: 8 June 2020</b>

- 1. Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

<b>Well Being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The proposal ensure probity and openness in efforts to augment prosperity and productivity	New open register is available for completeness and full transparency
<b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	As above	As above

<b>Well Being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood	As above	
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	The improvements have been made with a view to reflecting on the broad communities of interests and groups and partnerships involved in City Deal	
<b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	As above.	
<b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	N/A	
<b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances		

**2. How has your proposal embedded and prioritized the sustainable governance principles in its development?**

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The improvements show CCR has strong governance and accountability in place for the short and long-term.</p>	<p>This will be continually built upon.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>All partnerships and groups are reflected in this update report.</p>	<p>This is linked to formal committees as well as informal committees and groups</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Openness to public</p>	<p>Live streaming of public meetings wherein interests are declared and recorded</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>N/A</p>	
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>		

**3. Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
Age	Not relevant in this context since the new approach and ways of working apply to all prospective interests and stakeholders		
Disability	As above	As above	
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above	As above	
Race	As above	As above	
Religion or Belief	As above	As above	
Sex	As above	As above	
Sexual Orientation	As above	As above	
Welsh Language	As above	As above	

**4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?**

	<b>Describe any positive impacts your proposal has on safeguarding and corporate parenting</b>	<b>Describe any negative impacts your proposal has on safeguarding and corporate parenting</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to wellbeing.		

**5. What evidence and data has informed the development of your proposal?**

- WAO report Sept 2019
- Evidence and data collated through briefing sessions and questionnaires complete seeking disclosures

**6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

*As above, the main implications will be in the delivery of this work.*

**7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.**

The impacts of this proposal will be evaluated on:	Quarterly via the IIF reports to Cabinet and quarterly performance
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