



GREATER LINCOLNSHIRE LEP

Code of Conduct Declaration for Directors

| | |
|----------------------------|---|
| Name of Document | Code of Conduct Declaration for Directors |
| Purpose | To enable GLLEP Directors to confirm their agreement to the Code of Conduct |
| Author | Operations & Delivery Executive Manager |
| Version | 2.0 |
| Review date | July 2022 |
| Date approved | September 2022 |
| Date of next review | September 2024 |
| Location | LEP internal file storage and https://www.greaterlincolnshirelep.co.uk/about/corporate-governance/lep-policies/ |
| Policy lead officer | LEP Chief Executive |

Version Control

Please note this document is valid until formally revoked or replaced

| Version | Date | Changes |
|----------------|-------------|---|
| 2.0 | July 2022 | Implementation of new template and creation of new stand-alone Code of Conduct Declaration form, with separate Conflict of Interest Policy and Declaration of Interest form Gender specific terms replaced with gender neutral terms |
| | | |
| | | |

CODE OF CONDUCT DECLARATION

1. ROLE OF THE GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP (GLLEP) LTD

- 1.1. A partnership between local authorities, the wider public sector and businesses within the Greater Lincolnshire LEP region. Its role is to determine local economic priorities, lead economic growth and job creation within the area, be the voice of the business community and ensure that the economic interests of the area are properly represented.

2. ASPIRATIONS

- 2.1. To continue to make an effective contribution to the UK economy and provide real opportunities for people to live, work, invest and visit.

3. REMIT OF THE GLLEP DIRECTORS' BOARD

- 3.1. The purpose of the GLLEP Director's Board is to provide strategic leadership and develop a long-term vision of the GLLEP region's economy, providing strategic insight on the challenges and opportunities facing the area by supporting review and refinement of the Local Industrial Strategy (LIS), and GLLEP delivery in line with that strategy. The remit of the GLLEP Director's Board is to:

- 3.1.1. Champion the GLLEP region's economic vision and promote bold solutions;
- 3.1.2. Communicate with the business community around economic growth;
- 3.1.3. Share knowledge, practice, and intelligence within the GLLEP region; and
- 3.1.4. Allocate resources to deliver economic growth, secure finance and encourage local and national bodies to match resources to achieve the GLLEP region's ambitions.

4. THE WAY IN WHICH THE GLLEP DIRECTORS' BOARD DOES BUSINESS

- 4.1. The GLLEP Directors' Board will endeavour to:
- 4.1.1. Influence by championing and leading by example;
 - 4.1.2. Be delivery focused;
 - 4.1.3. Adopt creative and enterprising solutions;
 - 4.1.4. Adopt a partnership approach to working with the private, public and third sectors;

- 4.1.5. Share best practice; and
- 4.1.6. Be inclusive of each locality and community in Greater Lincolnshire.

5. GLLEP DIRECTORS' BOARD GENERAL DUTIES AND OBLIGATIONS

5.1. GLLEP Board Directors are required to:

- 5.1.1. Act within the powers conferred on the GLLEP Directors' Board under the GLLEP's Articles of Association;
- 5.1.2. Act in good faith to promote the success of the GLLEP;
- 5.1.3. Exercise independent judgement;
- 5.1.4. Exercise reasonable care, skill and diligence;
- 5.1.5. Not accept benefits from third parties;
- 5.1.6. Avoid conflicts of interest; and
- 5.1.7. Declare interest in proposed transactions or arrangements.

6. DUTY TO ACT WITHIN POWERS

6.1. GLLEP Board Directors have a duty to:

- 6.1.1. Act in accordance with the GLLEP's Articles of Association; and
- 6.1.2. Only exercise powers for the purposes for which they are conferred.

6.2. Every GLLEP Board Director must be familiar with the obligations and powers contained within the GLLEP's Articles of Association, GLLEP's Assurance Framework and this Code of Conduct.

7. DUTY TO PROMOTE THE SUCCESS OF THE GLLEP DIRECTORS' BOARD

7.1. A GLLEP Board Director must act in the way they consider, in good faith, would be the most likely to promote the role of the GLLEP as detailed above. The term "good faith" allows GLLEP Board Directors freedom to exercise commercial judgment without fear of having the courts interfering with their commercial decisions.

7.2. Amongst other matters, a GLLEP Board Director must, in their decision making, have regard to:

- 7.2.1. The likely consequences of any decision;
- 7.2.2. The need to foster the GLLEP Directors' Board's relationships with suppliers, customers and others;

- 7.2.3. The impact of the GLLEP Directors' Board's operations on the community and the environment;
- 7.2.4. The desirability of the GLLEP Directors' Board in maintaining a reputation for high standards of business conduct; and
- 7.2.5. The need to act fairly as between members of the GLLEP Directors' Board.

8. DUTY TO EXERCISE INDEPENDENT JUDGEMENT

- 8.1. A GLLEP Board Director must act independently and with integrity, ensuring that they are always acting in the best interests of the GLLEP as a whole and are not unlawfully influenced by a third party.
- 8.2. Certain acts of GLLEP Board Directors may conflict with that duty, these conflicts may however be expressly permitted or are capable of being authorised under the GLLEP's Articles of Association. Whether certain acts are permitted should always be checked very carefully and where appropriate, legal advice should be sought.

9. DUTY TO EXERCISE REASONABLE CARE, SKILL AND DILIGENCE

- 9.1. A GLLEP Board Director must exercise reasonable care, skill and diligence. This means the care, skill and diligence that would be exercised by a reasonably diligent person with:
 - 9.1.1. The general knowledge, skill and experience that may reasonably be expected of a person carrying out the functions carried out by the GLLEP Board Director in relation to the GLLEP; and
 - 9.1.2. The general knowledge, skill and experience that the GLLEP Board Director in question actually has.
- 9.2. The GLLEP Board Director must, when using or authorising the use by others of the resources of the GLLEP, ensure that such resources are not used improperly, for political or personal purposes (including party political purposes).

10. DUTY TO AVOID CONFLICTS OF INTEREST

- 10.1. GLLEP Board Directors must avoid situations where they can, or have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the GLLEP.
- 10.2. This applies in particular to the exploitation of any property, information or opportunity. It is immaterial whether the GLLEP could take advantage of the property, information or opportunity in question.

11. DUTY TO NOT ACCEPT BENEFITS FROM THIRD PARTIES

- 11.1. GLLEP Board Directors must not accept a benefit from a third party conferred by reason of:
- 11.1.1. Them being a GLLEP Board Director; or
 - 11.1.2. Them doing (or not doing) anything as GLLEP Board Director.
- 11.2. A “third party” means a person other than the GLLEP’s Statutory Boards, an associated body corporate or a person acting on behalf of the GLLEP’s Statutory Boards or an associated body corporate.

12. DUTY TO DECLARE INTEREST IN PROPOSED TRANSACTIONS OR ARRANGEMENTS

- 12.1. If GLLEP Board Directors are in any way, directly or indirectly, pecuniaryⁱ or non-pecuniaryⁱⁱ (including membership of any Trade Union, political party or local authority that relates to their GLLEP duties) interested in a proposed transaction or arrangement with the GLLEP, they must declare the nature and extent of that interest to the other GLLEP Board Directors. The declaration must be made:
- 12.1.1. At a meeting of the GLLEP Directors’ Board; or
 - 12.1.2. By written notice to the chair of the GLLEP Directors’ Board.
- 12.2. GLLEP Board Directors should review their individual register of interest before each board meeting and decision-making committee meeting. If a disclosable interest has not been entered onto the GLLEP’s register, then the member must disclose the interest at any meeting of the GLLEP at which they are present, provided that the matter is not a ‘sensitive interest’ⁱⁱⁱ.

13. REGISTER OF GLLEP BOARD DIRECTORS’ INTERESTS

- 13.1. GLLEP Board Directors must, within 28 days of taking office as a GLLEP Board Director, notify the GLLEP Chief Executive and Accountable Body’s S151/S73 Officer of any:
- 13.1.1. Disclosable pecuniary interest, where the pecuniary interest is theirs or their spouses or civil partner’s or is the pecuniary interest of somebody with whom they are living with as a spouse, or as if they were civil partners.
 - 13.1.2. Non-pecuniary interest which the GLLEP has decided should be included in the register or which the GLLEP consider should be included if they are to fulfil their duty to act in conformity with the Seven Principles of Public Life. These non-pecuniary interests will necessarily include their membership of any Trade Union.

- 13.2. Following any disclosure of an interest not on the GLLEP register or the subject of pending notification, the GLLEP Board Director must notify the GLLEP Chief Executive and S151/S73 Officer of the interest within 28 days beginning with the date of disclosure.
- 13.3. Unless dispensation has been granted, GLLEP Board Directors must not participate in any discussion of, vote on, or discharge any function related to any matter in which they have a pecuniary interest. Additionally, GLLEP Directors' Board members must observe the restrictions the GLLEP places on their involvement in matters where they have a pecuniary or non-pecuniary interest as defined by the GLLEP.

14. OTHER DUTIES

- 14.1. GLLEP Board Directors must also remember that they are subject to other statutory duties other than those mentioned above including, for example:
 - 14.1.1. The principles laid down by the Committee on Standards in Public Life (Nolan Committee) for those holding public office, namely:
 - 14.1.1.1. Selflessness;
 - 14.1.1.2. Integrity;
 - 14.1.1.3. Objectivity;
 - 14.1.1.4. Accountability;
 - 14.1.1.5. Openness;
 - 14.1.1.6. Honesty; and
 - 14.1.1.7. Leadership.
 - 14.1.2. Health and safety legislation.
 - 14.1.3. Duties in relation to preparation of accounts.
 - 14.1.4. The need to have regard to the GLLEP's Statutory Board's creditors in circumstances of threatened insolvency.

15. SUMMARY OF GUIDANCE FOR GLLEP BOARD DIRECTORS

- 15.1. In summary of the above, GLLEP Board Directors should ensure that at all times they:
 - 15.1.1. Act in the GLLEP's best interests, taking everything they think relevant into account;
 - 15.1.2. Obey the GLLEP's Articles of Association and decisions taken under it;

- 15.1.3. Are honest, and remember that the GLLEP Directors' Board's property belongs to it, and not to them or its shareholders (if any);
 - 15.1.4. Are diligent, careful and well-informed about the GLLEP Directors' Board's affairs. If they have any special skills or experience, use them;
 - 15.1.5. Make sure the GLLEP Directors' Board keeps records of their decisions;
 - 15.1.6. Remember that they remain responsible for the work they give to others;
 - 15.1.7. Avoid situations where their interests conflict with those of the GLLEP Directors' Board's. When in doubt, disclose potential conflicts quickly;
 - 15.1.8. Seek external advice where necessary, particularly if the GLLEP is ever in financial difficulty.
- 15.2. GLLEP Board Directors may take, in the furtherance of their duties, independent professional advice if necessary and agreed by other GLLEP Board Directors, at the GLLEP's expense.
- 15.3. All GLLEP Board Directors should bring an independent judgement to bear on issues of strategy, performance, resources (including key appointments), and standards of conduct.

16. GLLEP BOARD DIRECTORS' REMUNERATION

- 16.1. GLLEP Board Directors shall not be remunerated although they may be paid all reasonable travel, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of GLLEP Directors or otherwise in connection with the discharge of their duties in line with the GLLEP Travel, Subsistence and Hospitality Policy. All other potential expenses likely to be incurred by GLLEP Board Directors must be made known to the GLLEP Secretariat beforehand and duly authorised before reimbursement.

AGREEMENT

AS A GLEP BOARD DIRECTOR I AGREE TO OBSERVE THE GENERAL DUTIES AND OBLIGATIONS SET OUT IN THIS CODE OF CONDUCT TO THE BEST OF MY ABILITY AND TO CO-OPERATE WITH THE DISCIPLINARY PROCEDURE SHOULD ANY COMPLAINT BE RAISED AGAINST ME.

| | |
|-----------|--|
| Signature | |
| Name | |
| Date | |

ⁱ For the purposes of this guidance, we are using the definition of a pecuniary interest as set out in the [Localism Act 2011](#) and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012. A pecuniary interest in a matter is one where there is a reasonable likelihood or expectation of appreciable financial loss or gain

ⁱⁱ A Non-Pecuniary interest is any interest which is not listed in the [Schedule to The Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012 \(No.1464\)](#). Non-pecuniary interests do not have a financial or other material component. (They may arise from personal or family relationships or involvement in sporting, social or cultural activities.)

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