Audit and Governance Committee
16 November 2026
Employee declarations
For Review and Consultation

Cabinet Member:
Cllr B Wilson, Transformation, Customer & Workforce

Local Councillor(s): None applicable

Senior Leadership Team:
J Mair - Director, Assurance and Governance

Report author and job title: Jonathan Mair, Director for Assurance and Governance
Email: jonathan.mair@dorsetcouncil.gov.uk

Statutory Authority: Employee Code of Conduct

Report status: Public Choose an item.

1. Executive summary

1.1 The Employee Declarations Project was established in response to an internal audit recommendation that the council should introduce a central record for employees' declarations relating to gifts and hospitality, secondary employment, and potential conflicts of interest, including annual declarations and nil returns where appropriate. The external auditors have also made it clear that the council must implement such a central record and that its absence is a control weakness. This work should be seen within the context of the council's broader programme of embedding enhanced compliance and oversight into our systems and working practices,

The project has now completed its initial implementation phase. Declaration reviews have been undertaken across the organisation and a centralised declaration process has been established within the council’s in-house (DES) system. This has provided the council with, for the first time, a consistent and auditable mechanism for recording, reviewing and monitoring employee declarations.

The implementation has strengthened governance arrangements, improved organisational oversight and created a foundation for future reporting and

analysis. Employee declarations are reviewed by their line manager and the completion rates of these reviews are detailed in this report.

2. Recommendation(s)

2.1 The Audit and Governance Committee are asked to:

- Note the successful implementation of the employee declarations' process.
- Consider the completion rates of the first cycle of declaration reviews and note the commitment of the Senior Leadership Team to improvement.
- Endorse the proposed next phase of work relating to reporting, analysis and ongoing compliance monitoring.

3. Reason for the recommendation(s)

3.1 To provide the Audit and Governance Committee with an update on the implementation of the Employee Declarations' Process, including the completion of the initial declaration review exercise, progress against the audit recommendation, key findings, and proposed next steps.

4. The report

4.1 Background

Dorset Council has been undertaking a significant amount of work to enhance and develop its compliance processes and oversight. Understanding the strategic links between risk management, system architecture and culture are key facets of this approach.

As part of this ongoing process, employee declarations were identified as an area in need of focus. Previously declarations relating to secondary employment, gifts and hospitality, and potential conflicts of interest were managed through a variety of local processes across service areas. Record keeping arrangements varied, and there was limited corporate oversight of declarations submitted by employees.

In response to external audit enquiries, we could not for 2025/26 provide from a single source the declarations made by members of the Senior Leadership Team.

The internal audit review identified the need for a centralised approach and recommended that the council:

- Establish a central register of employee declarations.
- Introduce annual declaration requirements, including nil returns where appropriate.
- Improve organisational oversight and assurance arrangements.

4.2 Production of a declaration programme

In response, a declaration programme was developed within DES (the council's current Enterprise Resource Planning (ERP) system, which supports functions such as finance, HR, payroll, reporting, and workforce management).

This was supported by guidance, training materials and communications for managers and employees.

The following actions have now been completed:

- A central declarations process has been implemented within DES.
- Declaration categories have been established for:
    - Secondary employment.
    - Gifts and hospitality (including offers declined).
    - Potential conflicts of interest, including financial interests.
- Manager and employee access has been enabled.
- Employee declarations and manager led annual declaration reviews have been completed across the organisation (completion rates are included below).
- Supporting guidance, frequently asked questions and training materials have been developed and published.
- Declaration processes have been incorporated into management discussions, new starter processes including the induction checklist and annual review arrangements.
- Notification functionality has been implemented when records are amended.
- Arrangements have been established for employees who do not have access to DES.
- A manual recording process and form has been established for agency workers, and the Connect 2 Dorset agency worker handbook has been updated outlining expectations. The agency worker induction handbook has been updated. Managers are asked to maintain a record of agency worker declarations locally.
- Data Protection Impact Assessment and Equality Impact Assessment work has been completed and mitigating actions incorporated into the process.

4.3 Outcomes and benefits

The project has delivered the core requirements identified through the audit recommendation and the implementation of the declarations process has delivered several governance and organisational benefits.

- Improved corporate oversight - the council now has a single repository for employee declarations, providing greater transparency and enabling senior officers to obtain a clearer understanding of declared interests and potential conflicts across the organisation.
- Increased consistency - a standard process has replaced a range of local approaches previously operating across services. This provides greater consistency in both declaration recording and managerial review.
- Enhanced assurance - the ability to record nil returns alongside declarations provides stronger assurance that declarations have been actively considered by employees and managers.
- Improved data quality - The introduction of centralised records and reporting functionality supports ongoing monitoring and enables future analysis of declaration trends and potential organisational risks.

4.4 Completion rates - manager reviews of declarations

All line managers were asked to complete reviews of the declarations with their line reports by Monday 12 October. These are the completion rates of these reviews by Tuesday 4 November 2026:

Team	Headcount	Outstanding	% Outstanding	Complete	Progress
Dorset Council	5096	923	18	4173	82%
Housing, Communities and Prevention	583	55	9	528	91%
Economy and Environment	1876	447	24	1429	76%
Adult Social Care	440	22	5	418	95%
Children's Services	905	345	38	560	62%
Resources	191	10	5	181	95%
Chief Executive’s Office	402	13	3	389	97%
Assurance and Governance	109	1	1	108	99%

Modernisation and Customer Delivery	589	29	5	560	95%

Councillors have a separate process for registering their interests. All 82 Dorset Council councillors have completed the disclosure of their interests to the Monitoring Officer.

4.5 Reviews that have not yet been completed

An Equality Impact Assessment was completed as part of the employee declarations project.

The assessment noted that there will need to be an acknowledgement in the collated data that non-completion rates will include employees that are unable to complete their declarations during the deadline either due to long term sickness or maternity leave, so compliance of 100% was likely to be unobtainable for the whole council. There is an expectation that at any one time a small percentage of the workforce will be on long term leave. Nevertheless, 82% completion is disappointingly low and needs to be improved upon.

In addition, there was an expectation from the outset of the process that completion rates would be lower for teams where their employees do not have regular access to ICT. For these employees, paper-based forms were available, although, these require the line manager to enter any declarations on their behalf, which may account for some delay. The system was also designed so that either the line manager or the employee could enter the declarations. (With the other receiving a notification when this had occurred). HR business partners also liaised with key teams where it was known that ICT access was an issue.

Completion rates were reported to Senior Leadership Team on 21 October 2026. For areas that have lower completion rates the HR business partners and directors will be addressing this. They will be assisted by the new page in the workforce dashboard which represents the table shown in 4.4. This will show the council's overall compliance and how this varies across teams, helping to identify any teams where completion rates are low. Please see section 4.9 for more details.

4.6 Economy and Environment Directorate

Completion of officer declarations within the Economy and Environment Directorate has presented some particular operational challenges. These are primarily associated with the nature and distribution of the workforce, with

significant numbers of colleagues working in operational and non-office-based environments, including Waste Operations, Highways and Dorset Travel. For many of these colleagues, regular access to a council computer or the corporate systems used to complete declarations is more limited than for predominantly office-based teams.

These practical barriers have affected the pace at which the declaration exercise has been completed. Arrangements are now in place within the directorate to address the outstanding declarations and to complete the current exercise as soon as practicable.

Managers are responsible for following up completion during team briefings, one-to-ones or supervisory sessions. The directorate are also looking to build declaration completion into existing operational arrangements, for example at the start or end of shifts, toolbox talks, depot briefings or scheduled team meetings.

The Directorate Leadership Team will regularly review compliance information, so that areas of continued lower completion can be addressed quickly.

4.7 Proposed control

To strengthen organisational assurance around conflicts of interest and ensure that decisions involving external suppliers and workers are demonstrably transparent, colleagues who have not completed the mandatory employee declaration process will be subject to restrictions on their involvement in relevant commercial and resourcing activity.

Where an employee declaration remains outstanding, the individual will not be permitted to commission, engage or approve the use of agency workers or third-party organisations, nor actively participate in procurement, commissioning, evaluation, supplier selection or contract award activity, until the required declaration has been completed.

This requirement is intended to provide assurance that any actual, potential or perceived conflicts of interest have been appropriately declared and considered before an individual is able to influence decisions involving external expenditure, suppliers or workers. It also reinforces the principle that completion of mandatory declarations is a prerequisite for exercising delegated responsibilities in these areas.

The restriction should remain in place until the declaration has been completed and, where a potential conflict has been identified, any necessary mitigations or management arrangements have been agreed.

4.8 Future System Requirements

DES has provided an effective implementation platform; however, it is recognised that the system has a finite lifespan. As part of wider workforce systems planning, consideration will be given to future options for maintaining the declarations process beyond the lifespan of DES.

4.9 Next Steps

Phase 2 of the project will now progress into reporting and analysis.

Actions will include:

- Development of organisational reporting arrangements including compliance monitoring – this will also need to include decisions relating to future deadlines for reviews. This could be included as part of the quarterly performance report to ELT and SLT to provide an update on compliance in this area.
- The Strategy Team are committed to including the review statistics in the development of the Workforce Dashboard. This would include the ability to drill into directorates. They are proposing the following:
    - Stage 1 will look at overall compliance of whether a declaration has been completed or not.
    - Stage 2 will look to see the number of individual declarations and whether people have declared anything.
    - Stage 3 will be insights into those declarations.
- The analysis of declaration trends and themes may include sampling exercises.
- Establishment of routine reporting to the Senior Leadership Team.
- Identification of any emerging organisational risks requiring escalation.
- Once the Governance Delivery Board is established, this project will sit within this board as a home for organisational learning.

5. Alternative options considered

5.1 As part of the project a range of options were considered in the initial phase. DES was considered to be the best platform as this is where our employee reporting lines are available and several other HR online forms have also been produced in this programme. It was acknowledged that DES would have a limited lifespan.

6. Legal considerations

6.1 The implementation of a centralised declarations process strengthens the council's governance arrangements and directly addresses the audit recommendations relating to the recording and oversight of employee declarations.

The process supports transparency, accountability and the effective management of conflicts of interest.

7. Financial implications

7.1 The project has been delivered using existing resources and systems. Any future system replacement requirements will be considered through existing corporate governance and budget-setting processes.

8. Natural environment, climate and ecology implications

8.1 None applicable

9. Well-being and health implications

9.1 None applicable

10. Other implications

10.1 None applicable

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

The risks associated with the project remain low but the system production, guidance and communications around this project helped mitigate these.

Seven key risks were associated with this project including:

1. Lack of knowledge about the data we are expecting, for example, number of declarations
2. Mass enquiries - guidance of declarations is sought from specific officers creating unmanageable workloads.
3. Non- compliance
4. Data breach(es) relating to personal information
5. Problematic declarations
6. Over-declaring
7. DES system has limited life span

12. Equalities

12.1 An Equality Impact Assessment was completed as part of this project. The assessment noted that there will need to be an acknowledgement in the collated data that non-completion rates will include employees that are unable

to complete their declarations during the deadline either due to long term sickness or maternity leave.

13. Appendices

13.1 None

14. Background papers

14.1 None

15. Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Assurance & Governance (Monitoring Officer), the Director for Resources (Section 151 Officer) and the appropriate Cabinet Member(s)