



# CONFLICT OF INTEREST POLICY

## Contents

<b>1 Purpose and Scope of the Policy</b>	<b>3</b>
1.1 Purpose	3
1.2 Scope	3
<b>2 Policy</b>	<b>4</b>
2.1 Statement	4
2.2 Definitions and Legislative / Regulatory Context	5
2.3 Related Parties	6
2.4 Personal interests.	6
<b>3 Procedure and Process</b>	<b>7</b>
3.1 Disclosure	7
3.2 How to make a disclosure	8
3.3 Further considerations	8
<b>4 Links to other Institutional Policies and Procedures</b>	<b>9</b>
4.1 Internal Policies	9

## Policy Owner: University Secretary and Chief Compliance Officer

Version	Effective From	Amendments	Equality Analysis	Stakeholder Consultation (e.g. Disability & Dyslexia Team, Policy Review Group)	Approval Date	Author
V1.0	01/04/2020		<a href="#">Click or tap to enter a date.</a>	Education & Experience Committee University Executive Board University Research & Ethics Committee	2020	Tristan Foot (Acting University Secretary)

This Policy is approved by University Executive Board



# 1 Purpose and Scope of the Policy

## 1.1 Purpose

- 1.1.1 The University of East London subscribes to the highest standards of corporate governance. The Committee of University Chairs (CUC) Guide for Members of Higher Education Governing Bodies in the UK states that the governing body is responsible for ensuring that clear procedures are in place for managing conflicts of interest. This Policy contributes to the delivery of these objectives in providing a framework of responsibilities and reporting by which staff and governors disclose interests which may conflict with those of the University. It is important to note that conflicts of interest are inevitable, and the University's approach is to ensure that they are appropriately managed, rather than seeking to avoid situations in which they might arise.
- 1.1.2 The underlying premise of this Policy is that staff and governors have a duty to manage conflicts of interest, and a responsibility to identify and disclose actual, potential or perceived conflicts between their personal, family, pecuniary or business interests and their professional responsibilities to the University.
- 1.1.3 The Policy provides a framework to protect both the University and employees and governors through the management of conflicts of interest. The responsibility to disclose and manage conflicts rests with individuals, staff and governors must take their responsibilities seriously, and operate on the basis of full disclosure.
- 1.1.4 The University Secretary will be able to offer advice on request but this does not negate the personal responsibility to disclose and manage conflicts.

## 1.2 Scope

- 1.2.1 This policy applies to all staff and Governors at University of East London
- 1.2.2 All within scope of this policy, have a responsibility to disclose and manage any conflict (or potential conflict) that arises whilst in the employ or as a member of the Board of Governors at University of East London.



## 2 Policy

### 2.1 Statement

- 2.1.1 The University encourages staff to engage in a wide variety of business and engagement, research and innovation activities. These might include serving on regional, national or international bodies or participating in, leading or advising on consultancy and research and development projects. Similarly the University seeks to appoint governors who are active in public life and business. These activities are core contributors to the University's mission, and to the University's contribution to the wider public interest. The protection of both the University and individuals through a framework for the management of conflicts of interest, whether perceived or actual, is therefore key.
- 2.1.2 Conflicts of interests which are not carefully managed have the potential to undermine the achievement of the University's mission. The open and careful management of conflicts of interest supports:
- 2.1.2.1 The University entering contracts, relationships and partnerships across its academic, research and business activities in the confidence that these do not conflict with legitimate personal interests.
- 2.1.2.2 The safeguarding of the University's assets, resources and reputation, particularly in making good use of public funds and furthering the University's charitable aims.
- 2.1.2.3 a culture of transparency, accountability and integrity, as core values the University wishes to uphold.
- 2.1.3 The disclosure of interests is intended to balance the protection of employees and governors from exposure to, or allegations of, wrongdoing with the safeguarding of the University from legal claims, reputational damage or financial loss.
- 2.1.4 The University seeks to adopt a proportionate and fair approach to the management of conflicts of interest.



2.1.5 It is anticipated that the majority of activities or associations which overlap, or could be seen to be at odds with, the personal interests of staff and governors and the interests of the University can continue to operate as normal, in the confidence that they are properly understood and managed through effective disclosure.

## 2.2 Definitions and Legislative / Regulatory Context

2.2.1 There is no strict legal definition of an 'interest', and it should therefore be considered as a broad term which includes any activity or association which may interfere, or be perceived to interfere, with an individual's ability to properly discharge his/her duties to the University. Interests which generally require disclosure include the following:

- a. Financial interests refer to anything of non-trivial monetary value, including, but not limited to, pay, commission, consultancy fees, equity interests, forgiveness of debt, property, royalties, intellectual property rights
- b. Non-financial interests refer to any non-financial benefit or advantage, including: enhancement of an individual's career, education or professional reputation; access to privileged information or facilities, personal and family connections or associations which could affect or influence the individual's University role.

2.2.2 A 'conflict of interest' may be defined as a situation where an individual can be perceived or known to be prevented from acting in the best interests of the University as a result of a relationship with a person or another body or organisation, or where the individual personally benefits, or is perceived to benefit, from an activity, opportunity or transaction.

2.2.3 Interests that University Executive Board members or contractors or governors (see C9-10) covered by this Policy have in that would always be required to be disclosed include but are not limited to:

- Executive and Non-Executive directorships, governorships, trusteeships
- Public Appointments
- Services for personal use from people or companies who do business with the University



- Shareholdings or other form of equity investment in a company in which the individual is an employee, partner, director, or owner
- Other financial interest in a company in which the individual is an employee, partner, director, or owner.
- Licensing of Intellectual Property
- Work/Consultancy outside the University
- Gifts and Hospitality
- Close family or personal links in any of the above

## 2.3 Related Parties

2.3.1 'Related Party' and 'Related Party transactions' are terms used in financial reporting and accounting to draw attention to the fact that the financial position and profit or loss of an organisation (the University) may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

2.3.2 The majority of staff who are required, or who decide to complete an entry in the University's Register of Interests are unlikely to be considered a 'related party' according to the technical meaning of the terms, e.g., having control, joint control, significant influence or being key management personnel of the reporting entity.

2.3.3 There is a higher degree of probability with senior staff and governors than an interest may lead to a Related Party Transaction, because of their seniority within the University. Further information on related party disclosures is provided in a separate document which accompanies this Policy.

## 2.4 Personal interests.

2.4.1 The notion of family and personal interests is not a clearly defined area. For example, it would not be expected that all staff disclose family links or friendships formed with former or current University employees, or bodies linked to the University.



2.4.2 However, a Governor or senior officer of the University with significant actual or perceived influence would be expected to disclose such an interest. For example, the partner of a senior staff member or governor serving on the Board of an organisation with which the University partners or holding equity in a company with which the University contracts, would be deemed to constitute an interest.

### **3 Procedure and Process**

#### **3.1 Disclosure**

3.1.1 In keeping with a proportionate approach, this Policy does not make disclosure of interests compulsory for all members, through a requirement to complete of an entry in the Register of Interests.

3.1.2 However, in addition to the Board of Governors and it order to meet its obligations under the Bribery Act 2010 and related legislation, it has been agreed that the following groups and categories of staff should complete a disclosure:

- University Executive Board
- Refusal to, or conscious avoidance of, disclosure of interests by staff in the categories above, (even where the disclosure would constitute a 'Nil' Return) may be treated as a disciplinary matter and a breach of the Staff Code of Conduct.

3.1.3 In addition, there is a requirement for prospective Governors or future senior employees of the University to disclose interests at the point of application. Individuals will be required to do so through standard application channels.

3.1.4 Whilst other employees, contractors, service-providers are not required to complete an entry in the Register of Interests, this does not remove the responsibility and duty of staff to disclose interests where there is an actual, potential or perceived conflict of interest, using the format and route prescribed by the University. Any such queries or declarations may be taken up with the University Secretary.



## 3.2 How to make a disclosure

3.2.1 All members of the Board of Governors and University Executive Board will be required to make an annual entry in the Register of Interests, which will be compiled and held by Governance and Legal Services. The Register will be available for inspection by members and the relevant sections will be presented to the Governance and Search Committee and University Executive Board after each annual review. It should be noted that the content of the Register is likely to be covered by the provisions of the General Data Protection Regulations and so subject to disclosure in respect of a Freedom of Information request.

## 3.3 Further considerations

- 3.3.1 The majority of interests disclosed are not likely to give rise to conflicts between disclosers and the University. Many actual, potential or perceived conflicts of interests will be minor. In most cases, for low significance or low impact conflicts, it is expected that the interest held by both the individual and the University can continue to operate as normal, in the confidence that the interest has been properly managed and understood by all parties.
- 3.3.2 The approach adopted to manage the conflict should be documented with evidence that the conflict has been appropriately managed or resolved, as agreed with the individual's line manager.
- 3.3.3 The University Secretary will be able to advise in cases of difficulty. In the case of the Board of Governors, the Register of Interests will be reviewed annually by the Governance and Search Committee.
- 3.3.4 The Committee will discuss any interests declared which would require proactive management, for example by a member of the Board being excluded from discussion of matters related to the interest declared and agree a way forward.
- 3.3.5 At each meeting of the Board and its committee members are invited to declare interests in respect of the business on the agenda so that the members can take a view on the appropriate way of dealing with the conflict of interest.
- 3.3.6 The Register of entries for members of the University Executive Board (UEB) will be presented to UEB annually in a similar way and Declarations of Interest will be a standing item for the agenda at UEB.





## 4 Links to other Institutional Policies and Procedures

### 4.1 Internal Policies

[Anti-Bribery & Corruption \(incorporating Gifts and Hospitality\) Policy](#)

[Public Interest Disclosure](#)

[Staff Disciplinary Procedures](#)