

CONFLICT OF INTEREST POLICY

The NFTS encourages members of its staff to engage in a wide variety of external activities, which might include freelance work, consultancy or involvement in other companies.

The School recognises that involvement in such external activities carries many advantages to the School and the individuals concerned. However, on occasion, they may give rise to conflicts of interest, whether *potential* or *actual*, *perceived* or *alleged*.

As a public body, the School must comply with the [guidelines set out by the Nolan Committee](#) in relation to standards in public life. Therefore, all staff are required to recognise and disclose activities that might give rise to conflicts of interest or the perception of conflicts and to ensure that such conflicts are seen to be properly managed or avoided.

If properly managed, activities can usually proceed as normal whilst at the same time upholding the person's obligations to the School, meeting regulatory and other external requirements and protecting the integrity and reputation of the School. It is therefore the School's policy to encourage and foster external activities whilst ensuring that when conflicts or perceived conflicts of interest arise they are identified and disclosed, and in relevant cases, appropriately managed. In every instance, the School reserves the right to make a determination in light of its best interest.

This document offers guidelines on the School's Policy and provides some practical assistance to its staff on how they should manage potential or actual conflicts of interest. As an additional source of help, please refer to:

- The School's Anti Bribery Policy
- The School's Relationships at Work Policy ([link](#))

Scope

This policy applies to all employees, workers, sole traders, external committee members, consultants, and volunteers. A reference in this policy to staff includes any person within the scope of the policy.

It is the responsibility of each individual to recognise situations in which he or she has a conflict of interest, or might reasonably be seen by others to have a conflict, to disclose that conflict to their line manager and through them to the Director for their area. They should then take such further steps as may be appropriate, as set out in more detail under the procedure below.

If an individual is uncertain about how this policy might affect his or her activities or has any questions about its application, they should contact their line manager.

Recognising Conflict of Interest

A conflict of interest arises where the commitments and obligations owed by an individual member of staff to the School or to other bodies, for example a funding body, are likely to be compromised, or may appear to be compromised, by:

- that person's personal gain, or gain to immediate family (or a person with whom the person has a close personal relationship), whether financial or otherwise; or
- the commitments and obligations that person owes to another person or body.

There can be situations in which the appearance of conflict of interest is present even when no conflict actually exists. Thus it is important for all staff when evaluating a potential conflict of interest to consider how it might be perceived by others.

Conflicts of interest may be financial or non-financial or both. Further information about both types is set out below.

Financial Conflicts of Interest

A financial conflict of interest, for the purposes of this policy, is one where there is or appears to be opportunity for personal financial gain, financial gain to close relatives or close friends, or where it might be reasonable for another party to take the view that financial benefits might affect that person's actions.

Financial interest means anything of monetary value, for example:

- payments for goods or services;
- resources and assets, including equipment, technical staff and facilities and/or
- intellectual property rights (e.g. patents, copyrights and royalties from such rights).

The level of financial interest is not the determining factor as to whether a conflict should be disclosed. What might be 'not material' or 'not significant' for one person might be very significant for another. Good practice in many situations will mean the disclosure of 'any' financial interest, however small.

A conflict will arise if the interest might provide, or be reasonably seen by others, to provide an incentive to the individual which affects their actions and where he or she has the opportunity to affect a School decision or other activity (because for example they the decision-maker).

Non- Financial Conflicts of Interest

Non-financial interests can also come into conflict, or be perceived to come into conflict, with a person's obligations or commitments to the School. Such non-financial interest may include any benefit or advantage, including, but not limited to, direct or indirect enhancement of an individual's career, education or gain to immediate family (or a person with whom the person has a close personal relationship). For examples of non-financial conflicts of interest see Appendix A.

Procedure

It is the duty of every member of staff accurately and promptly to disclose:

- a change in status of an existing actual, perceived, or potential conflict of interest and/or commitment

- a new actual, perceived, or potential conflict of interest and/or commitment.

Apparent or perceived conflicts of interest can be as damaging as actual conflicts of interest. Staff should consult a member of the Management team in the first instance if they are uncertain about whether a situation or activity presents a conflict of interest. They shall evaluate the activity or situation and advise on the most appropriate course of action.

The general rule, with the exception of School meetings (see below), is that disclosure should be made at the time the conflict first arises, or it is recognised that a conflict might be perceived, by email to their line manager and to a member of the Management team. The line manager should then discuss this with the member of the Management team and other members of Management as appropriate.

Disclosure in all cases shall include the type of potential conflict (conflict of interest or commitment), the nature of the activity, a description of all parties involved, the potential financial interests and rewards, possible violations of legal requirements, and any other information which the employee feels necessary to evaluate the disclosure.

Many situations will require nothing more than a declaration and a brief written record of that declaration, which must be held in the School's HR records.

Some instances will however need to be dealt with by agreeing how the conflict can be actively managed to eliminate the conflict; safeguard against prejudice toward School activities, and provide continuing oversight. The approach adopted should be recorded in a formal plan and copies provided to the relevant parties. A copy of the final plan must sent to HR and held on the individual's file.

One or more of the following strategies may be appropriate to manage the conflict of interest:

- not taking part in discussions of certain matters;
- not taking part in decisions in relation to certain matters;
- referring to others certain matters for decision;
- resolving not to act as a particular person's line manager;
- publishing a notice of interest;
- standing aside from any involvement in a particular project; and/or
- declaring an interest to a particular sponsor or third party.

It is the responsibility of those affected to comply with the approach that has been agreed.

School meetings

This includes Academic Standards Committee, meetings of the Sub-Board and Final Board of Examiners and Management meetings.

Any member of a meeting who has a clear and substantial interest in a matter under consideration should declare that interest at any meeting where the matter is to be discussed. At the discretion of the Chair, the member concerned should withdraw from the meeting during the relevant discussion or decision.

Failure to follow the procedure set out in this policy or failure to comply with any stipulated management plan for managing the disclosed conflict will be considered a serious matter and may lead to disciplinary action being taken against the individual.

REMEMBER: THE OVERRIDING PRINCIPLE IS THAT IF IN DOUBT, DISCLOSE.

Appendix A

Examples of Conflicts of Interest

This list is not meant to be exhaustive. The primary obligation rests with the individual to recognise situations in which he or she potentially has a conflict of interest and to disclose and discuss that conflict to their line manager.

Student supervision and teaching:

- Staff with a close personal or familial relationship with a student or a student's family who may be involved in decisions about that student's admission or academic progress or the award of any scholarship, prizes or other grants to the student. If the staff member attends a meeting of the Board of Examiners where the student is being assessed, the interest should be declared.
- A member of staff who is in a position to judge or evaluate the quality of a student's work holds a financial stake or a formal position in any student-run, owned or controlled commercial venture whilst that student is enrolled at the School.

Other examples of possible conflicts of interest:

- Participating in the appointment, hiring, promotion, supervision or evaluation of a person with whom the staff member has a close personal relationship. All staff recruitment should be carried out in accordance with HR's guidelines.
- A staff member takes part in the negotiation of a contract between the School and a company, where the staff member or his or her family or a close personal friend has a financial or non-financial interest (e.g. a directorship) in that company.
- Where there is a family or personal relationship between two members of staff, neither member of staff should be involved in any decision or process affecting the other, including promotion, remuneration, discipline or grievance.

Sale, supply or purchase of goods or services

- All purchases for the supply of goods or services should comply with the School's Procurement Rules, including the code of ethics. Where a conflict of interest could occur, those responsible for making the decision should take particular care in deciding which supplier or contractor to choose. So as to be able to show impartiality, individuals should take appropriate steps to ensure value for money.
- Staff must ensure the probity of all financial transactions. The sale or supply of goods by the School or the purchase of goods or services by the School must be carried out in accordance with the School's Financial Regulations and Purchasing Policy. Staff should not normally be involved in supply or purchase decisions in relation to any external organisation in which they or any members of their family or any person with whom they have a close personal relationship have a financial interest or in any way have the capacity for personal gain. If there are exceptional circumstances that prima facie require such involvement, the following process should be followed:
 - *the person should disclose, in writing to their line manager, the nature of the transaction, the potential conflict and the method proposed to manage the conflict;*

- *they and their line manager must formulate a proposed plan/approach that protects the School and ensures compliance with the law and the integrity of the transaction(s) and the individuals involved; and*
- *the line manager must then seek approval of that plan from the Director of Finance.*