

## **Managing potential conflicts of interest policy**

## Information sheet

### Information box

For further advice contact: Corporate Services Director

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### Version control

Document version	Author	Date of issue	Changes made
1.0	Phil Sweeney	April 2016	N/A
1.1	Phil Sweeney	July 2020	Updated to reference changes in other associated policies and new SharePoint form.

### Impact assessment

- A business rationale assessment has been carried out and this policy contributes to Estyn's strategic objectives and delivery principles.
- An equality impact assessment has been carried out and this policy is not deemed to impact adversely on any people on the grounds of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

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## Introduction

- 1 This policy has been developed to manage potential conflicts of interest and to help ensure that Estyn's activities, and those of its staff, and are seen to be conducted to the highest standards of ethics and integrity.
- 2 As a civil service organisation we have a duty to fulfil the highest standards of corporate governance. The [Civil Service Code](#) forms part of the terms and conditions of every civil servant. In Estyn, we also expect colleagues to demonstrate commitment to the wider principles of [public life, which embrace selflessness, integrity, objectivity, accountability, openness, honesty and leadership](#).
- 3 During the course of our duties we may be involved in spending money on behalf of Estyn, making transactions or entering into commitments or contracts for our organisation. We may also have an interest in organisations outside of Estyn that are within the field of education and training. It is very important therefore that if we have a private interest, financial or otherwise, which could overlap with our duties as an employee of Estyn, that this interest is disclosed and managed appropriately.
- 4 We encourage colleagues to engage in activities and interests outside of work, particularly where they use their time and talents for the benefit of the community, but it is necessary to have mechanisms to protect both staff and Estyn from potential reputational damage or other liabilities. By engaging in external activities colleagues may place themselves in a difficult position in which an outside interest may conflict, or appear to conflict, with their Estyn duties. The employee may then be open to suspicion that decisions they take as an Estyn employee are influenced by personal interest even when the employee is acting with neutrality and complete professional integrity.
- 5 In order to maintain the highest standards of integrity and reputation, it is essential that we all declare any interest that we, or members of our close family, may have that could give the appearance of a conflict, even where no actual conflict exists. Our approach to all potential conflicts, whether real or perceived, is to:
  - require staff to always disclose
  - discuss and agree arrangements to manage the conflict where possible
  - advise staff of possible implications in cases where an agreement cannot be reached to manage the conflict

## Policy statement

- 6 All Estyn staff and non-executive directors 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.
- 7 In following this policy we expect to manage any potential conflicts and protect the integrity and reputation of Estyn and its staff.

### Definition

- 8 A working definition of a conflict of interest is: "a conflict between the private interests and the official responsibilities of a person in a position of trust".
- 9 The definition is not restricted to cases where the individual actually betrays this trust – it can be equally damaging for the conflict of interest to exist or to appear to exist or even have the potential to develop into an actual or perceived conflict of interest. This policy is a mechanism for protecting Estyn employees against criticism or compromise by ensuring that they recognise and disclose such conflict situations and take steps to avoid and manage them.

### Scope

- 10 This policy applies to all full-time and part-time employees of Estyn, secondees, agency staff and non-executive directors. A separate policy, which extends to cover contractors, consultants and others engaged by Estyn, is in place to manage potential conflicts of interest in relation to inspection work and can be accessed from our website [here](#).
- 11 If an individual is uncertain about how this policy might affect his or her activities or has any questions about its application, he or she should contact their line manager or the Corporate Services Director for advice.
- 12 This policy supplements and expands upon the requirements for propriety set out in Estyn's 'Anti-fraud and anti-bribery Policy and Finance Manual.

## Determining a conflict of interest

- 13 A conflict of interest arises where the commitments and obligations owed by an individual member of staff to Estyn 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 close family, whether financial or otherwise; or
  - the commitments and obligations that person owes to another person or body. For example, membership of an external board might bring with it an obligation (and sometimes a statutory duty) to act in the best interests of the external body. These duties may overlap with those duties and obligations as employees of Estyn. An agreement by Estyn to such an external appointment being held does not absolve the employee from ensuring that he or she continues to give their primary commitment and allegiance to Estyn.
- 14 There can be situations in which the appearance of a conflict of interest is present even when no conflict actually exists. It is the responsibility of each individual to recognise situations and activities in which he or she has a conflict of interest, or might reasonably be seen by others to have a conflict, and disclose that conflict to their line manager, submitting a request seeking permission to undertake such activities.
- 15 Conflicts of interest may be financial or non-financial or both:
- Financial interest refers to anything of a non-trivial monetary value (Estyn's Finance Manual provides guidance on levels of triviality, in respect of Gifts and Hospitality), including, but not limited to: pay; commission; consultancy fees; equity interests; forgiveness of debt; property; royalties; and, intellectual property rights.
  - Non-financial interest refers to any non-financial benefit or advantage, including, but not limited to enhancement of an individual's career, education or professional reputation, and access to privileged information or facilities.

### Preferential treatment in private transaction

- 16 Colleagues should not seek or accept preferential benefits from private companies or other organisations with which they have had or may have dealings with on behalf of Estyn. Every employee has a duty to ensure that they are not put in a position of risk of conflict between private interests and the interests of Estyn. Those involved in the award of contracts must be particularly careful to ensure they are not influenced, nor could be perceived to be influenced, by an association with any of those contracting with Estyn. Guidance may be sought from the Corporate Services Director.
- 17 The registration of an interest is made using the Declaration of Interest form on SharePoint Online ([here](#)).
- 18 Declarations of interests made by Strategy Board members will be published on the Estyn website.

## **Declaration**

- 19 The general rule is that disclosure should be made at the time the conflict first arises, or at the time it is recognised that a conflict might be perceived. The individual should update the Declaration of Interests form and immediately send a link to the form to their line manager for review. When in doubt, individuals should always disclose an interest in advance – if unsure, talk it through with your line manager. Individuals are responsible for ensuring that their declared interests are kept up to date at all times and have been reviewed each year – a reminder will be sent out when the annual review is due.
- 20 All potential conflicts must be assessed. Many situations will require nothing more than a declaration of the interest and/or activity for review and subsequent authorisation by the line manager, which will be noted within the Declaration of Interest form. Measures or conditions may be implemented to minimise and manage any conflict. In some instances it might be appropriate to refer the matter to the Directors Group to agree how the conflict will be managed. The approach adopted should be documented and saved within the individual's Declaration of Interest form (section 10).
- 21 Any unresolved matter shall be referred to the relevant Strategic Director. The dispute resolution policy and processes should be used in cases where an individual is unhappy with a decision made by management.
- 22 The Directors Group shall be responsible for undertaking an annual review of all HMI declarations and individual directors will provide an assurance to HMCI (referencing any potentially contentious matters) as part of their Annual Assurance Statement.
- 23 The Corporate Services Management team will be responsible for undertaking a review of all Corporate Services staff declarations, referring any potentially contentious matters to the Directors Group for discussion. The Corporate Services Director will provide an assurance to HMCI (referencing any potentially contentious matters) as part of his/her Annual Assurance Statement.
- 24 The Strategy Board will review and manage potential conflicts of interest regarding executive directors and non-executive directors through a standing agenda item at quarterly Strategy Board meetings.

## **Failure to make a declaration**

- 25 Please comply with this policy as failure to make all relevant declarations could lead to action being taken under Estyn's Disciplinary Policy and/or Anti-fraud and anti-bribery Policy.

**Annex A: Declaration of Interest form (completed within SharePoint)**

**1 Paid employment other than with Estyn**

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**If yes: please specify -**

- The name of the organisation
- The end date
- Other relevant details e.g. role

**2 Voluntary appointments to public bodies, charities, regulatory or professional bodies, mutual support organisations (including political parties) or any organisation in the field of education and training**

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**If yes: please specify -**

- The name of the organisation
- The end date
- Other relevant details e.g. role

**3 Directorships or board memberships, whether in a private or official capacity, paid or unpaid**

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**If yes: please specify -**

- The name of the organisation
- The end date
- Other relevant details e.g. role

**4 Equity interests (ownership/shares) held in a private company, business or consultancy likely or possibly seeking to do business with Estyn**

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**If yes: please specify -**

- The name of the organisation
- Type of interest

**5 Any other interests or information, which may indicate an actual or perceived conflict, for example:**

**paid and unpaid engagements, academic papers, journalism, etc, including written or spoken outside the work of Estyn**

**editing and/or publishing books, articles or letters in newspapers, magazines or on the internet including personal views or memoirs**

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**6 Any relevant interests held by a close family member or partner**

*Close family members include personal partners, parents, children (adult and minor), any parent or sibling (and partners of these)*

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**7 I have read the Civil Service Code and the Seven Principles of Public Life. I am aware how to access further advice regarding proper conduct for Estyn staff.**

Yes ▾

**8 To confirm details are correct please type name in here:**

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**9 Date:**

**10 Record of action taken as result of management review of declared interest**