



## **Conflicts of Interest Policy**

**Date: July 2019**

<b>Policy Title</b>	Conflicts of Interest Policy
<b>Policy Number</b>	POL 021
<b>Version</b>	Version 3.0
<b>Policy Sponsor</b>	Chief Executive
<b>Policy Owner</b>	Director of Business Support
<b>Committee and date recommended for approval</b>	Audit and Risk Assurance Committee (June 2019)
<b>Date approved by the Board</b>	Board Meeting (July 2019)
<b>Equality Screening Status</b>	Screened 18 Jan 2017
<b>Rural Needs Impact Assessment Status</b>	Rural needs impact assessed:25 April 2019
<b>Related Policies</b>	<ul style="list-style-type: none"> <li>• Code of Conduct for Board Members</li> <li>• Code of Conduct for Staff</li> <li>• Anti-Bribery Policy</li> <li>• Anti-Fraud Policy</li> <li>• Gifts and Hospitality Policy</li> <li>• Whistleblowing Policy</li> </ul>
<b>Date Set For Review</b>	July 2022
<b>Related Policies</b>	Code of Conduct for Board Members Code of Conduct for Staff Anti-Bribery Policy Anti-Fraud Policy Gifts and Hospitality Policy Whistleblowing Policy

## 1. Introduction

1.1 Board Members and staff must discharge their duties in a manner that is honest, fair and unbiased and ensure that decision-making is open and transparent and is seen to be so. Actual, potential or perceived conflicts of interest can lead to doubt about the integrity of the organisation. A conflict of interest that is not declared, even if unintentionally, or is managed poorly, creates, at best, a risk of allegations or perceptions of misconduct. It could potentially result in more serious consequences, such as disciplinary action against the individual or litigation against the organisation and severe reputational damage.

1.2 Actual or potential conflicts of interest must be identified and managed in a way that safeguards the integrity of Board Members and staff and maximises public confidence in Libraries NI's ability to deliver its services in a manner which is in line with the key characteristics of propriety as defined in the 'Seven Principles of Public Life<sup>1</sup>, known as the Nolan Principles.

1.3 For the purposes of this policy a conflict of interest is defined as follows:

***A conflict of interest occurs when the private interests of a Board Member or member of staff (or those of a close relative, friend or associate) could influence improperly, or appear to influence improperly, that Board Member or member of staff in the performance of his / her official duties.***

1.4 As a benchmark:

- a 'close relative' would usually refer to the individual's spouse or partner, children (adult and minor), parents, brothers, sisters, in-laws and the personal partners of any of these. For other relatives it is dependent upon the closeness of the relationship and the degree to which the decisions or activity of Libraries NI could directly or significantly affect them or be influenced by them.
- a 'friend or associate' is someone with whom the individual has a longstanding and / or close relationship, socialises with regularly or has had dealings with which may create a conflict of interest.

1.5 Where a Board Member or member of staff is uncertain as to whether or not there is a need to declare interests of this nature he / she should seek advice from a senior officer, the Head of Internal Audit or the Board Chairperson to ensure all potential conflicts are identified and managed appropriately.

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<sup>1</sup> <https://www.gov.uk/government/organisations/the-committee-on-standards-in-public-life>

- 1.6 A conflict of interest can also be perceived and a perception of a conflict of interest can be just as significant as an actual conflict of interest. A perceived conflict of interest may pose no actual risk to the conduct of public business, but it requires proper management in order to minimise the risk of reputational damage both to Libraries NI and the individual(s) concerned. The key issue is whether there is a risk that a fair-minded outside observer, acting reasonably, would conclude that there is a real possibility of bias.
- 1.7 Examples of situations where actual or potential conflicts of interest could arise are shown in the associated guidance document (Guidance on Managing Conflicts of Interest) and in the Code of Procedures on Recruitment and Selection and Procurement Procedures.

## **2. Purpose**

- 2.1 The purpose of this policy, and the associated guidance, is to:
- provide a framework for managing actual, potential or perceived conflicts of interest in a consistent and transparent manner
  - protect the integrity of Libraries NI's decision-making processes
  - enable stakeholders to have confidence in the integrity of the organisation; and
  - protect the integrity and reputation of individual Board Members and staff.

## **3. Policy**

- 3.1 Libraries NI is committed to the effective management of actual, potential and perceived conflicts of interest.
- 3.2 Board Members and relevant staff must be open and transparent about any overlap between their official role and private interests and must fully disclose any such conflict of interest.
- 3.3 Board Members and relevant staff must complete a declaration of interests form annually and update that declaration of interests form in the intervening period, if their circumstances change. Additional disclosure arrangements apply to staff directly involved in recruitment and procurement panels and / or in letting, managing or influencing Libraries NI contracts.
- 3.4 Declarations of interest forms are reviewed by the appropriate level of management to identify any actual or potential conflict of interest and the

appropriate action required to manage the situation. The identified action is discussed with the individual concerned and documented.

- 3.5 Declarations of interest of Board Members and relevant staff are published on the Libraries NI website.
- 3.6 Board Members and staff in attendance at a Board or Committee meeting are required to declare any known or potential conflicts of interest with any item on the agenda either at the commencement of the meeting or at a relevant stage during the meeting and to withdraw from the meeting prior to discussion of that agenda item. They will not participate either in discussion of that item or in the decision-making process. Any disclosure and the subsequent action will be recorded in the minutes of the meeting.
- 3.7 Board Members and staff directly involved in recruitment and procurement panels are required to declare any known or potential conflicts of interest prior to the commencement of the shortlisting / assessment process or at a relevant stage if they become aware subsequently of an actual or potential conflict of interest. In such circumstances they will be required to withdraw from the selection / assessment panel and take no further part on the process. Any disclosure and the subsequent action will be recorded in the notes of the panel meeting.
- 3.8 Failure to adhere to the requirements of this policy and the associated guidance may lead to disciplinary action.

#### 4. **Authority**

- **Policy Sponsor:** The Chief Executive has overall responsibility for the Conflicts of Interest Policy.
- **Policy Owner:** The Director of Business Support responsible for ensuring the effective operation of the Policy and the associated guidance and for its regular review.
- **Policy Contact:** Any Board Member or member of staff who requires further information about the Conflict of Interest Policy should contact the Head of Internal Audit. The Policy will also be available on the staff intranet, the Board Members' extranet and the Libraries NI website.

## 5. Related Documents

- Guidance on Managing Conflicts of Interest
- Code of Conduct for Board Members
- Code of Conduct for Staff
- Anti-Bribery Policy
- Anti-Fraud Policy
- Fraud Response Plan
- Registers of Interest
- Gifts and Hospitality Guidelines for Board Members
- Guidance on Offers and Acceptance of Gifts and Hospitality
- Guidance on the Provision of Gifts and Hospitality
- Code of Procedures on Recruitment and Selection
- Procurement Procedures

This policy and the associated guidance have been developed to meet best practice, taking account of *Conflicts of Interest: A Good Practice Guide* (NIAO, 2015) which is available at the following link: <https://www.niauditoffice.gov.uk/publications/conflicts-interest-good-practice>