

Disclosure and Management of Conflicts of Interest Policy
Ref: GS0005

Brief Description & Purpose:	Northumbria encourages staff to engage in a wide variety of activities to support and drive the University's core business, which will often involve working with colleagues from other Institutions and with other organisations. Activities might include, for example, serving on regional, national, or international bodies or participating in, leading, or advising on consultancy and research, development projects and procurement processes. These activities are considered core contributors to the University Strategy. The protection of both the University and individuals through a policy for the management of conflicts of interest, whether perceived or actual, is therefore key.		
Applicable to (list cohorts):	Staff: All staff, including Governors and co-opted Board Committee Members	Students: Student Governors	Third Parties: All who are in a formal relationship with the University
Effective From:	17 th June 2013	Last Review Date:	25 April 2023
Approval Authority:	Board of Governors	Approved:	17 th June 2013
Executive Owner:	Georgina Bailes	Business Owner:	Richard Elliott
Next review date	April 2026	Publication External Y/N	Y

1. Introduction

1.1 As a University in receipt of public and other funds, Northumbria University subscribes to the highest standards of corporate governance, guided by the Nolan Principles. The Committee of University Chairs (CUC) Higher Education Code of Governance 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 disclose interests which may conflict with those of the University.

1.2 All staff of the University are considered to be in a position of trust by virtue of their employment with the University. All members of the University community from Governors (including Student Governors,) through to staff and third parties working on behalf of the University have a duty to avoid conflicts of interest, and a responsibility to identify and disclose actual, potential, or perceived conflicts, between their personal, family, pecuniary, academic, or business interests and their professional responsibilities to the University. This includes the offering and acceptance of gifts and hospitality, which is subject to scrutiny under the Bribery Act 2010 and is detailed in the Gifts and Hospitality Policy and associated procedures.

1.3 The University is a Higher Education Corporation (HEC) under the terms of the Education Reform Act 1998. Whilst it is not directly subject to UK company legislation, many of the tenets of company law in relation to conflicts of interest are applicable. As an exempt charity, the University is also subject to charity legislation, overseen by the Office for Students (OfS) as 'principal regulator' of HEIs. On this basis, the University's Board of Governors as its 'Trustees', as well as senior management and the wider staff base, are entrusted to uphold the charitable objectives of the University.

1.4 Under the Bribery Act 2010, the operation of an effective system for disclosure, maintenance and review of interests is a key component in supporting a defence by the University that it has adequate procedures in place to counter bribery, fraud, and corruption.

1.5 The 'Honesty' strand of the 'Nolan Principles of Public Life' states that 'holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest'. Whilst the holding of 'public office' is potentially most relevant to Governors (including both Staff and Student Governors), for the University Executive and other senior officers of the University, the principle is one which the University would expect all staff, students and third parties in a formal relationship with the University to abide by, irrespective of the public duty dimension of their role.

2. Policy Detail

2.1 Conflicts of interests which are not carefully managed have the potential to undermine the achievement of the University Strategy and longer-term Vision. The open and careful management of conflicts of interest supports:

- the University's values of academic excellence, collaboration, inclusivity, innovation and ambition and is consistent with the Seven Principles of Public Life of selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.
- the University entering into relationships and partnerships which are commercial or otherwise across its academic, research and business activities in the confidence that these do not conflict with legitimate personal interests
- 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.

2.2 The disclosure of interests is intended to balance the protection of employees from exposure to, or allegations of, wrongdoing with the safeguarding of the University from legal claims, reputational damage, or financial loss. The University seeks to adopt a proportionate and fair approach to the management of conflicts of interest. 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, governors, students and contractors, 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 and appropriate mitigations.

2.3 Staff, Governors, Co-opted Board Committee Members and Student Governors

2.3.1 For the purpose of academic staff in particular, it is important to note that 'academic freedom' does not overrule the duty of fidelity owed by an employee to the University, nor should it give rise to a conflict of interest. It is expected that potential conflicts of interest are disclosed as soon as they are identified following the [Disclosure of Conflicts of Interest Procedure](#). Gifts and Hospitality have a [separate policy and disclosure procedure](#).

2.3.2 Interests that staff, governors including Co-opted Board Committee Members and student governors, related to the following areas or activities would be expected to be disclosed:

- Executive and Non-Executive directorships, governorships, trusteeships
- Public appointments
- Personal relationships with students (past, present, and known applicants)
- Personal relationships with work colleagues (past, present, and known applicants)
- Family relationships with students (past, present, and known applicants)
- 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

- External work/consultancy outside the University
- Other financial interest in a company in which the individual is an employee, partner, director, or owner.
- Licensing of intellectual property
- University Management/Board or Committee decisions or resolutions
- Assessment of students
- Close family or personal links in any of the above
- Gifts and Hospitality (detailed in the Gifts and Hospitality policy)

2.3.3 Governors, including staff and student Governors, Co-opted Board Committee Members, members of the Senior Management Group and senior staff across all Faculties and Services with significant responsibility for the negotiation of contracts and management of partnerships are required to make an annual declaration early in each academic year and to update this where changes occur during the year.

2.4 Third Parties in a formal relationship with the University

2.4.1 Those individuals or bodies bidding (through competitive tender or otherwise) to enter into a formal relationship with the University, whether consultants, service-providers or suppliers are regarded to be in a position of trust and therefore have a duty to disclose interests in the areas identified in 3.3.2 above with a potential to impact on their independence.

2.4.2 Staff responsible for the negotiation and approval of such contracts and relationships must ensure that third parties in or intending to be in a formal relationship with the University are reminded of their duty to disclose interests and the need for the management of conflicts of interests through this Policy. Where, for any reason, third parties in a formal relationship with the University are not able to make a declaration via the online form, disclosures should be made on their behalf by the staff member responsible for negotiating the contract/relationship.

2.4.3 This includes, for example, the University's internal and external auditors who are obliged to avoid personal and professional conflicts of interest, including ensuring that any non-core audit work undertaken does not compromise the integrity and independence of the core audit focus, investigation, and findings. This is also important in respect of being clear about their reliance on each other's work and acting with due care.

2.4.4 Any potential conflicts of interest may have an impact on the outcome of any required due diligence assessments carried out by the relevant Service or Team for the activity being engaged in. For detailed information on due diligence refer to the [Due Diligence Framework and resources](#) (*staff access only*).

2.5 Related Parties

2.5.1 Governors including Student Governors, Co-Opted Board Committee Members, members of the Senior Management Group and senior staff across all Faculties and Services with significant responsibility for the negotiation of contracts and management of partnerships, third parties in a formal relationship with the University and any other staff with significant influence over the management and governance of the University should disclose any relationships that they or their close family and friends have with individuals or bodies that have transacted or are expected to transact with the University. Further information on related party disclosures is provided in the [Related Parties and Related Party Disclosures guidance](#).

2.6 Disclosure, consideration and management of conflicts of interest

2.6.1 The majority of interests disclosed are not likely to give rise to conflicts between disclosers and the University as many actual, potential, or perceived conflicts of interests will be minor and/or easily mitigated. Nevertheless, disclosing the potential for conflict even if it is unlikely to occur, to allow for risks and mitigations to be identified in advance of potential issues, remains essential to protecting the University's reputation and interests of staff, students, and all third parties who are in a formal relationship with the University. Staff, students or third parties in a formal relationship with the University should inform and discuss mitigations with their line manager, academic tutor/supervisor or University staff contact (if a third party) as soon as they become aware of the potential conflict of interest. All potential conflicts and the related mitigation measures should be disclosed via the [online form](#) (*staff access only*) or via your University staff contact if you do not have a University IT account.

2.6.2 All disclosures will be reviewed by the Head of Governance and Secretary to the Board or Governance Manager on submission and annually where the conflict is ongoing. Where there is concern over the mitigations identified or difficulties identifying mitigations to manage a significant conflict of interest, the Head of Governance may convene a panel including one other member of University Executive and relevant independent stakeholders. Activity (teaching, research, participation in decision making etc.) impacted by the potential conflict should not continue until satisfactory mitigations are agreed and implemented. Further information is detailed in the [Disclosure and Management of Conflicts of Interest Procedure 2.6](#).

3. Key Roles and Responsibilities

Role	Responsibility
Board of Governors	<p>Ensure University procedures for managing conflicts of interest are in place under the Board's Statement of Primary Responsibilities.</p> <p>In turn, while the University is not directly subject to company legislation, the role of members of the Board of Governors is akin to the duty of directors in the Companies Act 2006 to avoid conflicts of interest. In addition to this, the Board of Governors are 'trustees' under the supervision of OfS as 'principal regulator' under UK charity legislation. As trustees in a position of trust, Board members are prohibited from receiving any benefit directly or indirectly in return for their services or otherwise unless explicitly authorised under the University's Instrument and Articles of Government.</p> <p>Complete an annual Register of Interests which is publicly available. All Governors are also asked to comply with a request for ad hoc disclosure of interests as a standing item on the agenda of Board and Committee meetings.</p>
University Executive, Senior Management Group	<p>Members of the University Executive and Senior Management Group are likely to be at higher risk of exposure to individuals or scenarios in which fraud, bribery or corruption is more likely to occur. Members of the Senior Management Group are expected to avoid conflicts of interest in all circumstances, abide by the Nolan Principles of Public Life and promote transparency and integrity as part of their leadership role. They are required to complete an annual declaration of interests, managed by Governance Services, supplemented by ad hoc disclosures as interests arise or are amended. They also advise staff on how to handle potential conflicts</p>

	<p>of interest.</p> <p>This also includes senior staff across all Faculties and Services with significant responsibility for the negotiation of contracts and management of partnerships</p>
Head of Governance and Secretary to the Board	Overall responsibility for the management of disclosure and conflicts of interest. Ensure all disclosures are securely processed and stored. Ensure disclosures are reviewed periodically by nominated officers.
Line Manager	<p>Responsibility for ensuring potential conflicts of interest are disclosed and mitigations are put in place and followed.</p> <p>Responsibility for including this in new staff induction and reminding direct reports regularly of the need for potential conflicts of interests to be disclosed.</p>
Staff, students and third parties	<p>Responsibility for declaring any potential conflicts of interest, discussing potential mitigations with Line Manager and all relevant Services/Teams e.g. RIS, Legal Services.</p> <p>Responsibility for updating all parties if the situation changes between identified review periods</p>

4. Definitions

4.1 There is no strict legal definition of an ‘interest’ or a ‘conflict of interests’, and they should therefore be considered as broad terms which include 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 relate to property, resources, relationships, information, or opportunities and are either ‘financial’ or ‘non-financial’ in nature, which may mean that an individual or associated person may stand to gain a benefit or suffer a loss, whether directly or indirectly, as a result of holding the interest. Interests which generally would require disclosure include the following:

- 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;
- 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.

4.2 ‘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) has been affected by the existence of related parties and by transactions and outstanding balances with such parties. 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.

5. Related Policies, Procedures and Other Resources

- [Disclosure and Management of Conflicts of Interests Procedure](#)

- [Disclosure and Management of Conflicts of Interests Policy – Related Parties Guidance](#)
- [Scenario and Mitigations guidance](#)
- [Declaration of Conflict of Interest Form](#)
- [Managing External Work](#) (staff access only)
- [Financial Regulations](#)
- [Due Diligence Framework](#) (staff access only)
- [Gifts & Hospitality Policy](#)
- [Public Interest Disclosure “Whistleblowing” Policy](#)
- [Reportable Incidents Policy](#)
- [Staff Code of Conduct](#)
- [Disciplinary Procedure](#) (Staff access only)
- [Instrument of Government](#)
- [Articles of Government](#)

6. Version

Version No.	Reviewer	Date	Changes
1.2	Dr Adam Dawkins	September 2014	
1.3	Georgina Bailes Richard Elliott	9 May 2023	Text amendments and clarifications, separation of policy and procedure.