



## Nuffield Foundation Conflicts of Interest Policy

### Introduction

This policy provides guidance on identifying conflicts of interests and sets out the policy for the Nuffield Foundation, Nuffield Council on Bioethics, Family Justice Observatory and Ada Lovelace Institute (together 'the Foundation') in managing conflicts of interest.

A Conflict of Interest policy ensures that individuals make decisions based on what is best for the Foundation rather than their own personal interests or loyalties, thereby promoting integrity, transparency and trust amongst staff, trustees, stakeholders and the public. The policy helps to facilitate the smooth and ethical operation of the Foundation by providing clear guidelines for managing actual and potential conflicts. This not only ensures compliance with the charity's governing documents and the Charity Commission but also empowers staff, trustees and committee members to make ethical decisions and external connections that align with the Foundation's best interests, enabling long-term positive outcomes.

This policy applies to trustees, Centre board members, trustee sub-committee members, staff and others who are representing us.

Please also refer to the individual declaration of interests form and Register of Interests appended to this policy.

The offer of any financial or other advantage to induce or reward improper decision making are related and are covered by our policy on Bribery, Gifts and Hospitality.

### Definitions

**Conflicts of interest** can be *direct*, *indirect* or *perceived*, and is situation which a person's personal interest or loyalty could, or could be seen to, prevent them from making a decision only in the best interest of the charity. The first two categories are **Related Party Transactions** where a person with control or significant influence stands to gain from their position. The third is concerned with reputational management.

**Direct conflicts of interest** are where one of the decision-makers benefits personally from the decision. Likely direct conflicts include where the Foundation considers for example a grant to an institution of which a trustee is a member of *key management personnel*. These are also automatically declared in the annual accounts as Related Party Transactions.

**Indirect conflicts of interest** involve close family members of trustees or staff, for instance if a close family member of a trustee is a member of *key management personnel* at a grantee or potential grantee institution. These will also be Related Party Transactions.

**Perceived conflicts of interest** relate only to reputational risk management and are where staff, trustees or Centre board members have no financial interest in a transaction but could be perceived by a reasonable onlooker to have an undue interest in the result of a decision and which can lead to an unfair outcome. The test here is if a story ran revealing the interest, would the Foundation find it awkward to rebut the appearance of wrongdoing?

**Key management personnel** are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity, or trustees. [IAS 24.9].

**Common interests** - Trustees and other decision makers will invariably share many common interests in other organisations with the Foundation. Unlike a conflict of interest, a common interest need not be declared. For example, simply being a member of the Royal Society, as opposed to being part of its key management personnel, would not be a conflict of interest and would not be declarable.

### **Principles for managing a conflict of interest**

The following principles should be followed in managing conflicts:

- Disclose it in advance of any conversation of the subject
- Do not seek to enquire into or influence the decision
- If in doubt it is better to err on the side of disclosure of the interest.

In a meeting, the individual should:

- Withdraw from the meeting for any discussion of that item unless expressly invited to remain in order to give information.
- Not be counted in the quorum for the part of the meeting devoted to that item.
- Withdraw during the vote and have no vote on that item.
- All of the above actions should be recorded in the minutes of the meeting.
- The record of the decision should include: the nature of the conflict of interest, which individual(s) were affected, whether any conflicts were declared in advance, an outline of the discussion, whether anyone withdrew from the discussion and how the decision was taken in the best interest of the Foundation.

There is no distinction in managing a direct, indirect or perceived conflict of interest. The only exception is that an outline grant application may still be seen (but not decided on) by someone with a perceived conflict of interest.

Worked examples of the different types of conflict of interest, and the action to be taken, can be found in Appendix 1.

### **Notification of Conflicts of Interest**

The following procedure applies to notification of conflicts of interest:

- Once aware of a potential grant conflict, it should be reported immediately to the relevant grant manager/Director or Director of Finance who can pass it on if preferred.
- Other conflicts of interest should be reported to the Director of Finance or Centre Director as they arise.
- Attendees at meetings are required to declare in advance any conflicts of interest in relation to the business of the meeting to the Chair, unless these have previously been declared and appear on the Register of Interests.
- As a reminder, the agenda for board/committee meetings should include a standing item for the identification and declaration of any conflicts or potential conflicts of interest at the start of each meeting.
- Any uncertainty about whether an interest gives rise to a conflict (or can reasonably be regarded as giving rise to a conflict), should be determined by a majority decision of the other members taking part in the decision-making process (without the interested party being present). The interested party cannot vote or be counted in the quorum in relation to the decision about whether their interest does or does not give rise to a conflict.

### **Register of Interests and Related Party Transactions**

All trustees, trustee sub-committee members, Centre board members and key management personnel, must complete a **Declaration of Interests** form on appointment in respect of themselves, their spouses, partners, close relatives and business associates, as appropriate.

The form can be found in Appendix 3. Individuals must thereafter take responsibility for ensuring the declaration remains relevant, by either updating the existing declaration, or completing a new declaration, on an annual basis.

The Legal and Governance manager will maintain a central **Register of Interests** (an example can be found in Appendix 2) which will be available for review by staff, trustees, trustee subcommittees and Centre boards, as required. This register will allow for prompt identification of actual or potential conflicts by relevant parties more easily.

**Related Party Transactions** must also be declared annually using the Declaration of Interests form, since certain transactions, including trustee remuneration, expenses (whether incurred directly by the charity or reimbursed) and benefits in kind need to be reported in the annual accounts.

### **What to include in the Register of Interests**

There is no set definition of an 'interest', and an individual should use common sense in determining whether a conflict of interest arises. However, it is better to err on the side of caution when completing the form, listing all interests which may give rise to a conflict of interest, actual or perceived.

Examples of personal and business interests to include in the Register are:

- Details of relevant employment, including self-employed consultancy or commission-based work
- Details of holding positions of partner or sole proprietor, or of general control or management
- Details of companies or charities for which positions of director or trusteeship are held, particularly, but not exclusively, where the Foundation has a financial relationship
- Details of other relevant positions or appointments in bodies relating to the Foundation and/or Centres work
- Details of relevant investments in unlisted companies, partnerships and other forms of business, major shareholdings (more than 5% of issued capital) and beneficial interests
- Details of any other significant positions in the UK social science or policy community.

It is also important to consider whether there are relevant business and personal interests of close family members to disclose in order to identify indirect conflicts of interest.

### **Considerations for formal appointments**

As part of the selection process for any formal role of the Foundation, including to the trustee board, trustee sub committee or Centre board, the interview panel should consider conflicts of interest. Particular attention should be paid to:

- Any specific conflicts which we may expect to arise from that interviewee's particular interests, and how they may be managed
- The extent to which the interviewee shows awareness of potential conflicts, and has realistic ability to mitigate them
- Whether the interviewee can demonstrate their ability to act as an independent from their other interests, and to act in the Foundation/Centre's best interests during their tenure
- Whether appointing this individual would allow the board or committee to maintain a balanced set of perspectives

It should be noted that there may be cases where the conflict of interest is not realistically possible to mitigate. For example, if an individual's main employment requires them to advocate publicly for the interests and position of their employer. In such cases, the individual would not be appointable.

### **Charity Commission**

For further information, you may wish to consult the Charity Commission's guidance on conflicts of interest which can be found [here](#) - Conflicts of interest: a guide for charity trustees (CC29) which was updated in October 2022.

## **Appendix 1**

### **Conflicts of Interest Worked Examples**

#### **Scenario 1**

Trustee A is head of the Department of Social Science at the University of Barsetshire. A researcher in that department applies to the Foundation for a grant.

#### **Conclusion**

This is a direct conflict of interest, as Trustee A is a member of key management personnel at the Department of Social Science, where the researcher is based. If the researcher had been in a different department at the University of Barsetshire, there would be no conflict of interest as Trustee A has no management responsibility in other departments and is not accountable for their success or otherwise in obtaining grant funding.

#### **Actions**

Trustee A would notify the Grant Lead, Grants Coordinator, and/or Finance Director of the conflict of interest as soon as they become aware of the application.

If the grant progressed to a decision meeting, Trustee A would be excluded from the papers in relation to this grant. Trustee A would declare the conflict of interest at the beginning of the meeting and would take no part in the discussion or the decision on this grant.

If a grant were awarded, it would be reported in the annual accounts as a Related Party Transaction.

#### **Scenario 2**

Trustee B's daughter works for the Do Good charity as a junior researcher. She has been told that if Do Good's grant application to the Foundation is successful, she will be promoted to senior researcher to work on the project.

#### **Conclusion**

This is an indirect conflict of interest, as Trustee B's close family member has a financial interest in the decision on this grant application.

#### **Actions**

Trustee B would notify the Grant Lead, Grant Coordinator, and/or Finance Director of the conflict of interest on learning that the application had been received.

If the grant progressed to a decision meeting, Trustee B would be excluded from the papers in relation to this grant. Trustee B would declare the conflict of interest at the beginning of the meeting and would take no part in the discussion or the decision on this grant.

If a grant were awarded, it would be reported in the annual accounts as a Related Party Transaction.

### **Scenario 3**

Trustee C is a senior partner at Consultants R Us, a consulting firm specialising in the social science field. Consultants R Us completed a major project last year where they worked with the Research Good charity to transform their research work. The new researchers recruited to Research Good as a result of this project have now applied to the Foundation for a grant.

### **Conclusion**

There is no direct conflict of interest here, since Consultants R Us have no financial interest in the success or failure of Research Good's grant application. However, it could be argued by a reasonable onlooker that a successful grant application by Research Good would bolster Consultants R Us' reputation and that its senior management would therefore have a reason to want the grant application to succeed. This is therefore a perceived conflict of interest.

### **Actions**

Trustee C would notify the Grant Lead, Grant Coordinator, and/or Finance Director of the conflict of interest on receiving the notification that the application had been received. They could be sent papers relating to the outline and advise on whether it should proceed to full application.

If the grant progressed to a decision meeting, Trustee C would be excluded from the papers in relation to this grant. Trustee C would declare the perceived conflict of interest at the beginning of the meeting and would take no part in the discussion or the decision on this grant.

### **Scenario 4**

Trustee D is a member of the Save the Things charity. A researcher working for the charity applies to the Foundation for a grant.

### **Conclusion**

There is no conflict of interest as Trustee D is an ordinary member of Save the Things, not a senior manager or trustee. No reasonable onlooker would think that Trustee D would have an inappropriate interest in the outcome of the grant application.

### **Action**

None required.

## Appendix 2 – Register of Interests

Name	Role	Organisation	Nature of interest	Does the interest relate to the individual or a person closely connected to the individual (if so, describe the relationship)?	Last updated

### Appendix 3 – Declaration of Interests

Name:

Position within the Foundation:

Date updated:

Role	Organisation	Nature of Interest	Details of Related Party Transaction*	Relates to individual or connected person?

*\* Please provide details of any Related Party Transactions that you may be aware of since completing any previous Declaration of Interest.*

In completing the Declaration of Interests form, you will wish to consider:

- Details of relevant employment, including self-employed consultancy or commission-based work
- Details of businesses in which you are a partner or sole proprietor or have a position of general control or management
- Details of companies or charities of which you are a director or trustee, particularly, but not exclusively, where the Foundation has a financial relationship
- Details of other relevant positions or appointments in bodies relating to the Foundation and/or Centres work
- Details of relevant investments in unlisted companies, partnerships and other forms of business, major shareholdings (more than 5% of issued capital) and beneficial interests
- Details of any other significant positions in the UK social science or policy community.

It is also important to consider whether there are relevant business and personal interests of close family members or connected person to disclose, in order to identify indirect conflicts of interest.

I can confirm, having read the Conflicts of Interest Policy and the definition of Related Parties provided by the Nuffield Foundation, and having reviewed the criteria for trustee, committee member Centre member and key management personnel eligibility, that:

1. My declarations are up to date.
2. I am not related to or in a relationship with any other organisation that I need to declare.
3. I am not aware of any related party transactions (other than grants from the Nuffield Foundation to a related party listed above).
4. I meet the eligibility criteria to be a trustee, committee member, Centre board member or key management personnel of the Nuffield Foundation.

Signature:

Date:



## **Appendix 4 – External communications**

As an independent organisation, it is important that we do not unintentionally create perceived connections with other organisations. Therefore, other institutions should not make use of a board/sub-committee member's affiliation to the Foundation in their public communications, without seeking prior approval from the Foundation Director or Centre Director.

On occasion, public communications or research will relate to a board/sub-committee member's other interests. In these situations, the individual will not be permitted to influence the strategic direction or content of these communications or research.

If commenting publicly on matters relevant to the Foundation, individuals should make clear whether they are speaking in a Foundation capacity and should be mindful of the potential impact of any public comments. If there is any doubt about the substance or appropriateness of communications, the Foundation's communications teams are available to support and advise.