

**Davidson Training UK Ltd**

# **Conflicts of Interest Policy**

**Policy Document**

## Davidson Training UK Limited

### Conflicts of Interest Policy

As an employer, Davidson Training UK Ltd starts from a position of trusting the professionalism of the staff it employs, and this trust underlies any attempt to handle questions which raise potential Conflicts of interest. Yet the damage to the reputations of individuals and, Davidson Training UK Ltd caused by conflicts of interest could be considerable.

In order to protect individual staff members and, Davidson Training UK Ltd from compromise, it is both necessary and helpful to settle a policy to deal with Conflicts of Interest. , Davidson Training UK Ltd has therefore decided to issue three documents:

#### **Conflicts of Interest Policy Statement Guidelines for Staff.**

Conflicts of interest could arise in many circumstances and it is not possible to provide a single definition to cover them all. A conflict of interest may be defined as including: 'a conflict between the official responsibilities of a person in a position of trust and any other interests the particular individual may have, e.g. where the individual could be seen to be influencing, Davidson Training UK Ltd matters for actual or potential personal benefit, or seeking such a gain at the expense of, Davidson Training UK Ltd.

It should be emphasised that the Davidson Training UK Ltd policy on conflicts of interest does not imply any lack of trust in, or loyalty of staff.

Rather, it is a mechanism for protecting Davidson Training UK Ltd employees against criticism or compromise by ensuring that they recognise and disclose such conflict situations and take steps to avoid and manage them.

Should any member of Davidson Training UK Ltd staff feel they are in a position giving rise to an actual or potential conflict of interest, they must contact their line manager as a matter of urgency. Appropriate steps will then be taken to deal with the conflict of interest situation in line with Davidson Training UK Ltd Conflicts of Interest Policy.

#### **Conflicts of Interest Policy - Summary**

Davidson Training UK Ltd Conflicts of Interest Policy accords with the Seven Principles of Public Life. The fact that Davidson Training UK Ltd has adopted such a Policy does not in any way cast doubt on the integrity or professionalism of Davidson Training UK Ltd employees. It recognises that Davidson Training UK Ltd wishes to give a great deal of freedom to employees to engage in external activities, but in so doing needs to put in place a mechanism to protect its employees and itself from reputational damage and other liabilities.

In summary, the Conflicts of Interest Policy provides for a three-fold approach:

- Disclose always
- Manage the conflict in most cases
- Prohibit the activity when necessary to protect the public interest or the interest of Davidson Training UK Ltd.

If you are unsure what to do in any situation then guidance can be sought in the first instance from your line manager.

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#### ***Conflicts of Interest Guidelines***

The purpose of these Conflict of Interest Guidelines is:

- To highlight and illustrate examples of potential conflict situations, some of which are not obvious
- To set out examples of activities can be managed (and how they can be managed), and other examples which Davidson Training UK Ltd would consider unmanageable (and therefore cannot allow).

The most important message in the document is that staff should always disclose an activity if they are in doubt about whether it represents a conflict of interest. The Guidelines describe the way in which such disclosure should be made at the time (i.e. before staff engages in the activity).

As an additional source of help the Conflicts of Interest Regulations contain a list of sample questions that a manager may use to elucidate the nature and potential seriousness of a conflict of interest. If they feel for any reason that they are unable to adjudicate on a conflict of interest then the matter should be referred up to the Managing Director.

#### **INTRODUCTION**

Davidson Training UK Ltd and their employees engage in a wide range of activities. The roles such as training and assessing learners.

Under their contract of employment with Davidson Training UK Ltd staff are not permitted to undertake any activities or paid work that may have a conflict of interest.

Davidson Training UK Ltd is keen to encourage relevant outside interests but staff will need to ensure that they check to ensure that any such additional work complies with all relevant policies.

Davidson Training UK Ltd leaves staff to develop their work activity outside its working hours.

However, by engaging in certain external activities, employees may place themselves in a difficult position in which an outside interest may conflict or appear to conflict with their Davidson Training UK Ltd duties.

The employee may then be open to suspicion that decisions they take as an employee are influenced by personal financial interest. In other cases, the employee may appear to be engaging in external activities which compete with Davidson Training UK Ltd.

In the vast majority of instances, simple disclosure of a potentially conflicting external activity is sufficient to absolve the employee of suspicion. Occasionally Davidson Training UK Ltd may suggest a different way of managing an activity that avoids the conflict of interest. In extreme cases the conflict of interest may be so fundamental and unmanageable that it is necessary to restrict one or other of the employee's conflicting activities.

The full prior disclosure of interests is clearly an important (and in many cases, sufficient) mechanism for the management of conflicts of interest.

Whilst this document describes and provides guidelines for many of the situations in which conflicts occur, it is not meant to be exhaustive. The primary obligation rests with the employee 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. If you are uncertain how the Conflicts of Interest Policy might affect your activities, please contact your line manager in the first instance. If they are unable to help then refer your enquiry to the Managing Director.

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**PROCESS OF DISCLOSURE AND REVIEW**

The formal process of managing individual instances of actual or potential conflicts of interest is described in detail in the Conflicts of Interest Regulations. In essence, any individual who believes they may have a conflict of interest should consult their line manager.

Appendix 1 - Examples of Conflict Situations

**Purpose**

A conflict of interest is a conflict between the official responsibilities of a person in a position of trust and any other interests the particular individual may have, where the individual could be seen to be influencing Davidson Training UK Ltd matters for actual or potential personal benefit. Davidson Training UK Ltd has no objection in principle to members of staff having outside interests, so long as appropriate regulations on time spent on consultancy, etc., are observed.

Any action or involvement or interest which may be seen to lead to a conflict of interest should be disclosed where requested and acted upon as appropriate as described in the following paragraphs. Full disclosure followed by monitoring and conflict management is the key to preventing and resolving conflict situations.

Disclosure will not necessarily restrict or preclude an employee's activities. In fact, activities that may at first appear questionable may be deemed acceptable and permissible when all facts regarding the activity are examined.

**Process**

Employees are responsible for disclosing potential conflicts of interest, and/or commitment.

Reporting mechanisms for disclosure should begin with the individual's line manager and through them to the Managing Director. In all cases the disclosure and its outcome shall be noted. Where a real or potential conflict of interest exists this, together with the agreed outcome, shall be noted on the individual's personnel file.

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. The line manager shall advise the Managing Director of all disclosures.

**Evaluating Disclosures**

When presented with the facts of a given situation, the reviewer must first determine if there is legitimate cause for concern related to the inappropriateness of behaviour or evidence of bias by the professional activities of the staff member. The list of questions in Appendix 1 is suggested for this initial determination.

If it appears that there is genuine cause for concern, the reviewer must ascertain whether appropriate controls are in place to deal with possible conflicts.

If the reviewer is uncertain as to the correct way in which to deal with a situation, they should refer the matter to the Managing Director for advice.

The consequences of a failure to comply with these regulations will be dealt by the line Manager, including where necessary via appropriate disciplinary procedures.

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***Appendix 1 - Questions for evaluating potential conflicts of interest***

Has all relevant information concerning the staff member's activities been acquired (i.e., has there been full disclosure)?

Do the staff member's relevant financial interests suggest the potential for conflicts or the appearance of conflicts or bias?

Is there any indication that the staff member in his or her professional role has improperly favoured any outside entity or appears to have incentive to do so?

Has the staff member inappropriately represented Davidson Training UK Ltd to outside entities?

Does the staff member appear to be subject to incentives that might lead to conflicts or bias?

Is there any indication that obligations to Davidson Training UK Ltd are not being met?

Is the staff member involved in a situation that might raise questions of bias, inappropriate use of Davidson Training UK Ltd assets, or other impropriety?

Could the staff member's circumstances represent any possible violation of applicable legal requirements?

Do the current engagements of the staff member represent potential conflicts between outside? Interests?