

Conflict of Interest Policy

1. Purpose and Scope

The purpose of this Policy is to encourage the disclosure and management of actual, potential, or perceived conflicts of interest in order to protect the integrity and reputation of the PRCA and its employees, contractors, board and committee members.

The PRCA acknowledges that its employees, contractors, board and committee members will have various external interests, such as other employment, including consultancy work, charity trusteeships and membership of boards or public bodies. The intention of the policy is not to limit these roles but to ensure that interests are recognised, declared and where any conflicts of interest arise these are appropriately recognised and managed.

There are a wide range of situations in which conflicts of interest may arise and employees, contractors, board and committee members must seek advice where necessary. Where applicable, references to conflicts of interest in this Policy should also be read as referring to conflicts of commitment and conflicts of loyalty, both of which are explained in Section 3.

This Policy applies to all PRCA employees, contractors, board, and committee members. Those to whom the policy applies will be made aware of it and will be encouraged to report any conflict of interest between the interests of the PRCA on the one hand and personal, professional, and business interests on the other so they may be appropriately managed. The policy seeks to promote the management of the perception of conflicts of interest as well as actual conflicts.

It is the responsibility of each individual to recognise situations in which questions of conflict of interest on their part might reasonably be raised, and to disclose such situations to the PRCA by taking the appropriate steps identified in this Policy.

2. Definitions

An interest can be a financial or non-financial interest. Financial interests include remuneration (such as pay, commission, consultancy) and assets (investments, stocks, bonds, property). Non-financial interests include enhancement of career, education or reputation, access to privileged information or facilities.

Many of these interests will not compete with your duties and responsibilities to the PRCA. However, where your obligations to the PRCA are, or may appear, to be compromised, a conflict of interests occurs. A conflict of interest may arise where an individual might be seen to be influencing PRCA matters for actual, potential, or perceived personal benefit. Such a conflict may arise in a situation when an employee, contractor, board, or committee member is in a position to influence, directly or indirectly, PRCA business, research, education, or other decisions in ways that could lead to gain for them, their family or others.

For the purpose of this policy conflict of interests include the following types of conflict:

- a) **Conflict of Interests:** A conflict of interest arises where there is an actual or potential risk or a perceived conflict in duties between acting in the best interests of the PRCA

and formal and/or informal commitments, obligations, or undertakings to another body/association/ affiliation in relation to the same or related matters;

- b) **Conflict of loyalty:** where overlapping personal interests or loyalties could, or be perceived to, prevent an individual from making a decision only in the best interests of the PRCA;
- c) **Conflict of commitment:** where an individual's engagement in outside professional activity, paid or unpaid, involves a commitment of time that may conflict with their role and obligations to the PRCA.

A conflict of interest may relate your own interests or a connected person which means family, relatives or business partner or business in which you hold an interest.

3.Avoiding conflicts of interests

No one should be involved in making decisions in relation to their commitments to the PRCA from which they, or anyone with whom they have a close financial or personal relationship, stands to personally benefit. In thinking about whether there is any conflict between decisions which they are making, and their own personal interests the common law test for bias is whether a fair-minded and informed observer would have any reason to suspect that an individual's impartiality might be compromised.

Such considerations apply to a wide range of activities in which conflicts may arise, including, but not restricted to, disciplinary proceedings, appeals, staff recruitment, staff promotion and remuneration, procurement, and assessing proposed relationships between the PRCA and outside parties.

Examples of situations in which conflicts of interest might arise, include:

- a) where there is actual, potential, or perceived personal gain or gain to an immediate family/close contact/associate;
- b) where there is actual, potential, or perceived financial gain which may be seen to influence action or decision making;
- c) where an individual is in a position whether actual, potential, or perceived to directly or indirectly enhance their career or the career of others with whom they are personally associated;
- d) where there is actual, potential, or perceived reputational impact for either the PRCA or the individual personally.

Further examples are listed in Annex A.

In relation to external commitments that may create conflict, individuals covered by this policy should ensure that they do not enter into commitments or engage in activities which are inconsistent with their terms and conditions of employment for staff or terms of appointment for contractors and board or committee members, with regard to outside activities and the

permission required to engage with them. In the event of queries, individuals should seek advice from their line manager or the person to whom they report.

4. When to declare a conflict

Every member of the PRCA should act in accordance with the company values and should therefore declare any interests that might lead to an actual, potential, or perceived conflict of interest as soon as they are aware of them. An individual may not themselves determine whether there is a conflict and, if so, how it is managed. The PRCA will be able to manage any actual, potential, or perceived conflicts of interest more easily and readily if they are aware of such conflicts from the outset. While an interest may not appear to give rise to a conflict, in the interests of transparency, it should be declared.

Failure to disclose an interest, providing an incomplete or inaccurate disclosure, failing to seek approval, or failing to appropriately manage a Conflict of Interest may constitute misconduct or a breach of terms and conditions of employment (for employees) or conditions of board/committee membership and may result in disciplinary action being taken by the PRCA.

5. Declaring Interests and Conflicts of Interest

All employees and contractors should complete a declaration of interests. Board members and members on committees are required to undertake an annual declaration of their interests. In addition, employees, contractors and board and committee members should disclose any changes to their interests as soon as they are aware of them.

Employees, contractors and board and committee members should not be involved in any decision-making process, including appointment panels, without having completed the declaration of interests.

Whilst it is primarily the duty of the individual to declare all interests, others, such as a manager, colleague, or other member of the PRCA community may become aware of conflict of an actual, potential, or perceived conflict of interest and should request that the individual declares their interests so that they can be managed appropriately.

To declare a conflict of interest:

- a) A declaration can be made in writing to the CEO. The CEO will then inform the HR Manager to ensure that the conflict is recorded.
- b) Conflicts of Interest relating to recruitment must be declared in accordance with the relevant recruitment policy and guidance.
- c) At any board or committee meetings there should be a standing item on the agenda on conflicts of interest. Members should be invited to declare any conflict, either actual or perceived, that may arise in the course of the meeting. Any members that become aware of a conflict that they have not declared at the start of the meeting should do so as soon as they become aware of the conflict. The minutes of each meeting should record whether or not any conflicts were declared. The Chair of the board or committee should decide whether the member concerned can:

- U Fully participate in the business of the board or committee with no restrictions;
- U remain in the meeting where the conflict of interest is considered but not participate in discussions;
- U withdraw from the decision-making process in relation to the conflict of interest;
- U withdraw entirely from the particular board or committee where there is a significant or ongoing conflict.

If the Chair has a conflict, the board or committee should agree for the Deputy Chair or another appropriate member to act as Chair for the relevant item.

In respect of board and committee members, additional provisions for the management of members (including the Chair) actual, potential, or perceived conflicts of interests and conflicts of loyalty should be followed. A conflict of loyalty may occur where a board or committee member's loyalty or duty to another person or organisation could prevent them from making a decision only in the best interests of the PRCA. Members of any board or committee should be mindful of the potential for bias in decision making and, with the CEO, should consider whether there is the potential for actual or perceived bias in fulfilling their various roles at the PRCA. The provisions for the Management of Declaration of Interests by board and committee Members are set out in Annex B.

In order to report on the operation of this policy all declarations of conflicts of interest should be reported to the CEO. These should include details of the facts, who undertook the assessment and what action was taken as a result.

8. Assessing and Managing Conflicts of Interest

All declared actual, potential, or perceived conflicts of interests should be reviewed and considered by the CEO.

The CEO should determine what, if any, further action is required. Individuals should not determine how to appropriately manage their own declarations.

It is important to note that considering conflicts of interest involves a spectrum of directness and significance. Several factors may need to be considered when assessing the seriousness of the conflict of interest and potential for bias. These include but are not limited to:

- a) The seriousness of the actual, potential, or perceived conflict;
- b) how closely the two interests are related to each other;
- c) the magnitude of the actual, potential, or perceived effect of one on the other;
- d) the nature or significance of the particular decision or activity being carried out;
- e) the extent to which the individual's other interest could actually affect or be perceived to affect the PRCA's decision or activity;
- f) the nature or extent of the individual's current or intended involvement in the PRCA's decision or activity.

9. Potential Outcomes

NO CONFLICT EXISTS

- U Where the CEO determines that there is no conflict of interest, this should be formally recorded and reported to the HR Manager. An explanation and any supporting documentation should be included as to why it was concluded that no conflict arose.

- U In the instance that the overlap of two or more interests is so slight that it does not constitute a real conflict of interest, for example, where the connection between the interests is remote or insignificant, then it may be determined that such interests do not represent a conflict.

CONFLICT DOES EXIST

- U Once a conflict of interest is deemed to exist the CEO will determine the appropriate resolution. These may include:
 - **Continue:** be permitted to continue, where the conflict is considered to be insignificant;
 - **Continue with exemption:** seek a formal exemption to allow participation;
 - **Continue with restrictions or additional oversight:** additional oversight or review over their activity in relation to the particular project;
 - **Withdraw:** for the individual to withdraw from any discussions in relation to the particular project or from making any decisions in relation to the particular project;
 - **Reassign:** refer the decision, tasks, or duties to others; or
 - **Relinquish:** for the individual to stand aside from any involvement in the particular project.

The CEO or other reviewers may seek advice or refer any unresolved matter to the Management Board.

Annex A: Examples of Interests and potential conflicts of interests

The following examples highlight where roles, activities or relationships should be declared and potential conflicts that may arise.

INTERESTS

- U **Paid employment** - This includes self-employment, offices held (such as public appointments) or employment where regular income is received and should be declared. Staff should refer to their terms and conditions and ensure the necessary permissions are gained.
- U **Directorships** - All paid directorships and unpaid directorships interests should be declared.
- U **Relationships** - Personal relationships may give rise to a conflict of interest as they may be seen to bias decisions.
- U **Shareholdings** – Board and committee members, contractors and employees are asked to declare the name of all public and private companies or other bodies in which they or those close to them have a beneficial interest. Shareholdings amounting to less than 5% of the issued share capital, or where the nominal value of the holding is less than £25,000, do not need to be registered.
- U **Other** - Interests that do not fall into the above categories but may give rise to a conflict. For example, unremunerated interests, positions of authority held or other significant involvement in other organisations, e.g. charitable or political or other educational bodies. It is particularly important for members of the governing body and senior management involved in procurement to disclose interests they have in, or with, any organisation from whom the PRCA procures goods or services.

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POTENTIAL CONFLICTS OF INTERESTS

- U **Research projects and commercial entities** - Where a research project is expected to generate data/findings that have commercial value, and in the event that such commercial value is realised, the individual stands to profit personally through involvement in an associated company or partnership.
- U **Trustee benefits** - Trustee benefit is any instance where money or other property goods or services which have monetary value are received by the trustee. The law says that trustees cannot receive a benefit from their charity unless they have an adequate legal authority to do so. This does not include:
 - reasonable expenses that employees, contractors, board, and committee members are entitled to claim;
 - remuneration and salary-related benefits that are provided for in the employment contracts of members of staff
- U **Staff: Recruitment, allocation of duties or promotion** - No member of staff should be involved in decisions relating to the recruitment or assessment, allocation of duties or promotion of any individual with whom they have a personal relationship. Recruitment policy and any additional guidance must be followed.

U **Procurement** - No employees, contractors, board, or committee members should be involved in the procurement of goods or services where they have a relationship with or connection to one of the parties involved in the procurement process. No employee, contractor, board, or committee member should accept gifts or hospitality offered by any party involved in the procurement process.

Annex B: Management of Declaration of Interests by Board and Committee Members Introduction

In respect of board and committee members the following provisions will apply:

Declaration of Interests and other information requirements

- U' Members must complete the register of interests which includes that members are asked to review and update their record on an annual basis. Members should also alert the CEO to significant changes outside the annual update.
- U' Members should declare any interests relevant to agenda items at the start of a meeting and/or during discussion (including where there is potential for a perceived conflict of interest). Where there is a conflict of interest the member will take no part in the consideration of the relevant item and shall withdraw from the discussion. If necessary, the Chair will determine whether there is a conflict of interest.
- U' Members must also provide any other information that PRCA requires in order to fulfil its regulatory requirements.
- U' Failure to declare an interest, or to provide full and complete information, will be considered by the CEO and further action will be determined based on the seriousness of the matter

Reviewing Declarations of Interests by board and committee Members

The CEO will review all declared interests to determine:

- U' whether there is a conflict of interest;
- U' in the event that there is a conflict of interest, whether this can be managed to allow the member in question to participate in the business of the board or committee or whether the matter should be referred for further consideration.

Managing Declared Conflicts of Interests by Board and Committee Members

Having registered the declared interest, the CEO will determine the process for managing any such interest. The CEO will determine the strategies needed to be employed to manage any declared Conflicts of Interests by Board and Committee Members in consultation with the Chair.

In deciding which course of action to take, the CEO and the Chair:

- U' must always make their decisions only in the best interests of the PRCA;
- U' must always protect the PRCA's reputation and be aware of the impression that their actions and decisions may have on those outside the PRCA;
- U' must always be able to demonstrate that they have made decisions in the best interests of the PRCA and independently of any competing interest;

- U may require the withdrawal of the affected Board or Committee Member from any decisions where the other interest is relevant to a high risk or controversial decision or could significantly affect, or could be seen to significantly affect, the Member’s decision making at the PRCA;
- U must be aware that the presence of a conflicted Board or Committee Member can affect trust between Members, could inhibit free discussion and might influence decision making in some way.

A report will be made to the Management Board on any conflict of interest matters that arise and to confirm the decisions of the CEO and Chair.

Where conflicts of interest are declared at a meeting the committee concerned will follow the policy to consider how the member may proceed.

The CEO can ask a Board or Committee Member to provide any information necessary to help make a decision in the best interests of the PRCA. Where the interest concerns positions of authority held, or other significant involvement in, a third-party organisation, the CEO may consider approaching that third party organisation for relevant information about the conflict of interest.

Managing Declared Conflicts of Interests and Confidential Information

Board and Committee Members cannot use information obtained at, or disclosed by, the PRCA for their own benefit, or that of another organisation, if it has been obtained or disclosed in confidence, or has the quality of confidence about it, such as commercial sensitivity.

If it is agreed that the conflict of interest can be managed, board and committee members must be satisfied that the affected Member understands and will abide by our rules on confidentiality in that they cannot use information obtained at the PRCA for their own benefit or that of another organisation if it has been obtained in confidence or has quality of confidence such as commercial sensitivity.

- ENDS -

Date	Status/Summary of Changes	Approved By	Signature	Next Review
November 2023				November 2024