

## N5 RELATIONSHIPS AND PERSONAL CONFLICTS OF INTEREST

### Purpose and scope

- 5.1 This section of the Consolidated Academic Policies and Regulations explains what a personal conflict of interest is; how and when to declare that interest; and how to manage the situation in the best interests of the College, its staff and students.
- 5.2 This policy applies to all staff, students and other College members, and to others undertaking work with the College including external committee members, contractors and agency staff. It applies equally to external individuals appointed to act on the College's behalf in some capacity, such as external examiners and contractors.
- 5.3 The policy **does not** apply to students who are no longer registered with the College, previous employees or private citizens.

### Definitions

- 5.4 'Conflict of interest' means a situation in which a member of the academic community's personal interests or the duties they owe to another body may – or may be perceived to – influence or affect their decision making or improperly influence the performance of their duties and responsibilities.
- 5.5 'Duty of fidelity' means the faithfulness an employee owes to their employer because of their employment. The employee also agrees not to act against the interests of the employer's business. At the end of the policy, the College sets out a full list of obligations owed by staff to the College.

NOTE: Academic freedom does not overrule the duty of fidelity owed by a staff member or student, nor should it give rise to a conflict of interest.

- 5.6 'Conflict of commitment' refers to a professional commitment on an individual's time that results in their obligations to the College being neglected or not fulfilled to the best of their ability. Please note: how the College regards time for personal/domestic commitments is normally as defined in their current employment contract.

### Introduction

#### *Overview*

- 5.7 The public puts its trust in the College. To repay that trust, all members of the academic community (staff and students) must conduct their affairs in ways that do not compromise its integrity.
- 5.8 The College recognises that personal relationships may exist or develop within the College. The College values and relies on the professionalism and integrity of its staff and students. Should an employee conduct such a relationship, their or her behaviour must be appropriate.
- 5.9 Further, the College values the importance of staff engaging in diverse commercial and public activities that benefit the College and further the academic interests of staff. But such activities should not conflict with the College's interests and obligations.
- 5.10 However, the College does not tolerate improper behaviour, abuse of authority, conflicts of interest, or acts of a biased nature.

#### *Principles*

- 5.11 Conflicts of interest are common in a modern institution. They may arise in internal or external situations, as well as in the character or actions of individuals. For the purposes of this policy, conflicts of interest may arise typically, but not exclusively, in the context of learning and teaching; assessments/examinations; external examining; staff or student close personal relationships; and finance, discipline, appointment of staff, promotion, procurement, research, consultancy, intellectual property and commercialisation.
- 5.12 The risk of conflict of interest arises when two (2) criteria are satisfied:
- a) There is or could be a divergence between an individual's private interest – or the interests of a third party with whom (or with which) the individual is associated or connected – and their obligations to the College.
  - b) An independent observer would reasonably question whether the individual's actions or decisions were governed by considerations of personal gain, financial or otherwise, to the member of staff or associated or connected third party.
- 5.13 It is not acceptable for an individual's actions or decisions made in the course of their College activities to be governed by considerations of personal gain except for normal aspirations and behaviours regarding promotion or professional development. Such behaviour calls into question the individual's professional objectivity and ethics and reflects negatively on the College.
- 5.14 The policy does not intend to give a full list of activities that fall within its scope. However, it does outline the main areas of College activity where a conflict of interest may arise.
- 5.15 As members of the College, all staff have a duty of fidelity under their employment contracts. They must give a prime commitment of time and intellectual ability/energy for the College's benefit and well-being. Specific responsibilities and activities that form this commitment will differ across the College, but must be based on an understanding of what is acceptable between the individual member of staff and the College.
- 5.16 The College does not intend to intrude on the privacy of individuals but is obliged to safeguard the health, safety and welfare of all its members.
- 5.17 Therefore it will take any necessary legal steps to satisfy these responsibilities. Similarly, individuals should take responsibility for their own actions. They should understand where personal relationships or interests may affect the work/study environment. If necessary, they should take steps to remove the potential impact. If concerns are raised by individual(s), the College will investigate the concerns promptly under the relevant procedure (Dignity at Work and Study, Grievance or Disciplinary).

### Procedures

#### *Disclosure of interest*

- 5.18 In line with the College's Financial Regulations, a member of staff who becomes aware of any personal, financial or other beneficial interest resulting from an interaction or transaction carried out on the College's behalf must at the earliest opportunity disclose the information, stating the nature of the interest to the Secretary to the Board of Directors or Director of Finance. An employee who has an interest in a business that may trade or supply services to the College must declare it to the Secretary to the Board of Directors or Director of Finance.

*Managing conflicts of interest*

- 5.19 Employees must avoid action that may lead to a potential or actual conflict of interest. This particularly applies in five (5) areas:

*Research, contracts and other services, including academics engaged in external private-led consultancy work*

- 5.20 The College recognises and supports work with external agencies such as charities, commercial companies or organisations. In bidding for or negotiating external contracts and grants, staff members must declare any personal or financial link with the external agency.
- 5.21 The College acknowledges the value of consultancy work, whether College- or private-led, where there are clear protocols and guidance in place to formally manage the process. Conflicts of interest should be addressed at the earliest opportunity to ensure fair and transparent decisions are taken. Academic staff must seek the permission of their Faculty Dean (or nominee) before engaging in external private-led consultancy work so that the work can be assessed alongside existing College commitments. Academic staff must notify the College of any changes or issues that emerge during the work that may lead to a conflict of interest.

*Fraud, bribery and corruption*

- 5.22 In line with the UK Bribery Act 2010, College employees or those engaged to work on its behalf must not accept or give inducements or direct or indirect monetary rewards for engaging in or refraining from a particular activity, or engage in a corrupt act by showing favour or disfavour while managing a contract where they are carrying out an official role on the College's behalf. Individuals can face up to ten (10) years' imprisonment if convicted of bribery or corruption. If the College is found to have engaged in any form of corruption, it may also face unlimited fines, exclusion from tendering for public contracts and damage to its reputation.

*Procurement*

- 5.23 The employee is responsible for identifying and formally disclosing any actual, potential or perceived instance of a conflict of interest. A conflict of interest may occur when employees who undertake procurement on the College's behalf are influenced or appear to be influenced by a personal or private interest that could lead to their gaining a personal advantage or avoiding a personal disadvantage. Therefore, employees in a position to recommend or shortlist contractors or initiate or place orders or award contracts must declare a personal interest in a supplier by writing to the Director of Finance.

*Inducements, hospitality and gifts*

- 5.24 The College acknowledges that hospitality and gifts may be offered to staff from suppliers, potential suppliers and others. The College's Financial Regulations state that 'under no circumstances may inducements, monetary or otherwise, be accepted from suppliers or potential suppliers (or their agents). Any offer of such inducements should be reported to the Secretary to the Board of Directors without delay.' If an employee is unsure when it is appropriate to accept an offer of a gift, hospitality, political or charitable donation, they should decline the offer or seek consent from the Secretary to the Board of Directors (see the Financial Regulations for more details).

- 5.25 Staff who breach or do not keep to this policy, particularly if they are engaged in procuring or managing goods, services or contracts, may face disciplinary action (see Disciplinary and Dismissal procedure). This will depend on the seriousness and nature of the issue. If staff accept gifts from students, this may be interpreted as an inducement to provide favourable treatment.

#### Managing personal relationships

##### *Relationships between employees and students*

- 5.26 The professional relationship between an employee and a student is vital to the student's educational advancement. The College believes that students are entitled to equal treatment; a personal relationship between an employee and a student must not jeopardise or be perceived as jeopardising that treatment. Employees are therefore strongly advised not to enter into a personal relationship with a student with whom they have a professional relationship.
- 5.27 A professional relationship in this context refers to one (1) where the employee has a role in the student's admission, assessment, supervision, tutoring, teaching, or pastoral care, or any other duty that could give rise to a potential conflict of interest. If a personal relationship exists or develops between such an employee and student, it must be declared in confidence to the employee's line manager. The declaration will be treated confidentially, but the line manager must seek advice from the Academic Registrar and the Head of HR Operations.
- 5.28 A meeting will be arranged with the employee and their line manager to discuss the potential or actual conflict of interest and the impact of this conflict of interest on the employee's professional role. It will also decide what, if any, steps need to be taken. The College respects an individual's right to privacy in such situations; so the meeting's purpose is to agree positive and constructive practical steps – not to discuss details of the relationship itself. The Academic Registrar (or nominee) will then hold a meeting with the student to discuss the case and inform them of any agreed outcomes.
- 5.29 Brief written notes of the meetings should be made and a copy given to the employee and student as a record of any agreed actions. These notes will be held securely on the employee's personal file and by the line manager in a conflict-of-interest file.
- 5.30 Examples of necessary steps may include changing the student's personal tutor or making alternative assessment arrangements.
- 5.31 Employees who are unsure whether they need to declare a relationship may seek confidential advice from their HR Manager. Students may seek advice from the Academic Registrar.

##### *Relationships between employees*

- 5.32 If employees who work together are in a personal relationship, there is potential for a conflict of interest or breach of confidentiality. The gaining of an unfair advantage may be perceived, with either party thus being disadvantaged.
- 5.33 Therefore, when such a personal relationship exists or develops between employees who work together in the same area or across Schools/Departments, or when one (1) employee is in a position of authority over the other, the College strongly advises the individuals to declare their relationship in confidence to each of their line managers. This is intended for the long-term protection of both parties.

- 5.34 The declaration will be treated confidentially but the line managers may need to seek advice from Human Resources (HR). A meeting with each employee and their line manager (or next-level senior manager if the line manager is a party in the relationship) will be held to decide whether there is a potential or actual conflict of interest. If so, the meeting will decide what, if any, steps need to be taken. The College respects an individual's right to privacy in such situations; so the meeting's purpose is to agree positive and constructive practical steps – not to discuss details of the relationship itself.
- 5.35 Brief written notes of the meetings should be made and a copy given to each employee as a record of any agreed actions. These notes will be held securely on the employee's personal files and by the line manager in a conflict-of-interest file.
- 5.36 Staff who are in a family/romantic relationship should not, where possible, be placed in a situation where one (1) is in a position of authority (line manager) over the other. However, any such actions or decisions will be made in line with the College's Employment policies.
- 5.37 It may be that a member of staff is involved in the voting process for offers of work, payments, promotions, development or reward decisions, and they are in a personal relationship with one (1) of the applicants. If so, they should declare their conflict to the head of the panel and withdraw from the process. Advice should be sought by the member of staff from HR.
- 5.38 Employees who are unsure whether their relationship should be declared may seek advice in confidence from their HR Manager.

*Relationships between employees and an agency worker, contractor or consultant*

- 5.39 As with relationships between employees, if a personal relationship exists or develops between an employee and an agency worker, contractor or consultant, then the employee must declare the relationship in confidence to their line manager if there is potential for a conflict of interest. This is intended for the long-term protection of both parties. The declaration will be treated confidentially, but the line manager may need to seek advice from HR.
- 5.40 A meeting will be held with the employee and their College line manager to decide whether there is a potential or actual conflict of interest. If so, the meeting will decide what, if any, steps need to be taken. The College respects an individual's right to privacy in such situations; so the purpose of this meeting is to agree positive and constructive practical steps – not to discuss details of the relationship itself.
- 5.41 A meeting may also be held between the line manager and the agency worker, contractor or consultant to inform them of and discuss any necessary steps to be taken. Possible steps may include assigning a different management contact. Please also refer to the Code of Practice on Academics Engaged in Private-Led Consultancy Work.
- 5.42 Brief written notes of the meetings should be made and a copy given to the employee and agency worker, contractor or consultant as a record of any agreed actions. These notes will be held securely on the employee's personal file and by the line manager in a conflict-of-interest file.

*Recruitment and selection process*

- 5.43 Employees sometimes refer or recommend suitable candidates to the College for existing vacancies. All applicants must follow College policy on recruitment and selection.
- 5.44 If an employee is involved in recruiting to a post and a candidate is in a personal relationship with them, the employee must declare the relationship in confidence to their line manager. The employee must not take part in the job design or shortlisting, or sit on the recruitment panel or provide references for the candidate. This is to ensure any recruitment decisions are made on an objective and fair basis.
- 5.45 If a candidate is in a personal relationship with a College employee who is connected, in any way, to the post under recruitment, the candidate must declare the relationship in confidence to HR, so that the College can take appropriate steps to ensure the College follows a fair and objective process.

*Registering conflicts of interest*

- 5.46 Staff engaged in any activity with a potential, perceived or actual conflict of interest are advised to contact HR for help in assessing the risk and identifying a suitable course of action.
- 5.47 Academics should declare their private-led consultancy work to the Executive Dean (or nominee) and other relevant parties and identify any potential or actual conflicts of interest. The Financial Regulations and Code of Practice on Academic Staff Engaged in Private-Led Consultancy Work highlight the need to disclose at the earliest opportunity and no later than the point of approval any significant issues that may be a conflict of interest.
- 5.48 This initial disclosure and any ongoing disclosure must provide sufficient information to enable the College to accurately and objectively evaluate the potential risk. The College encourages staff to raise matters of concern responsibly if they have reasonable grounds for believing there is serious malpractice or illegal or dishonest behaviour. If appropriate, staff should use the relevant College policy, such as the Public Interest Disclosure (Whistleblowing) policy, to raise concerns.
- 5.49 If the College owns the intellectual property or other property in a commercial venture, the academics involved must seek advice from the Research Committee. Before work begins, agreement must be reached with the Executive Dean.
- 5.50 The Executive Dean (or nominee) and the Directors of Professional Services should ensure that line managers take the necessary steps to ensure that members of staff are aware of and where applicable, implement this policy. Heads of Departments must also ensure that all conflicts and potential conflicts of interests are correctly identified and declared and entered in the College register, if appropriate.

*Monitoring compliance*

- 5.51 Employees should take reasonable steps to identify or prevent risks associated with managing conflicts of interest. All records and documents about transactions with third parties such as suppliers, clients and business associates should be scrutinised to identify risks and ensure they are accurate and comply with current regulations. The College Secretary is responsible for ensuring that a record of declared interests is maintained and reported to the Board of Directors every year.

### Advice and support

- 5.52 Advice for students on conflicts of interest, and the associated lower-level College rules, is available from the Office of Student Complaints, Appeals and Regulation (oscar@gsmlondon.ac.uk) or the GSM London Students' Union (student.union@gsmlondon.ac.uk). More complex queries may be referred to appropriate individuals.
- 5.53 Advice for staff on conflicts of interest is available from their line manager and nominated Academic Policy Partner.
- 5.54 If any staff development needs are identified, they may be discussed with members of the Educational Development Unit.

### Fees

- 5.55 No additional fees and charges are associated with this policy.

### Legal and regulatory context

- 5.56 These regulations concern the terms on which the relationship between members of the academic community and the duty to maintain good relationships and decision-making. Therefore, while there is limited legal context specifically on personal conflicts of interest, these regulations have taken account of the principles of contract law that apply to relationships between students, staff and Higher Education institutions.
- 5.57 The College may not be bound by the principles in paragraph 5.56 and this policy alone may not provide the procedure to meet all of these principles, some of which may be met by other College policies and procedures.. It uses the principles as guidance only, to help it deal soundly with these matters.

### Enforcement, monitoring and review

- 5.58 If any person or body in the College refuses to comply with a request or decision made to enforce this policy, their refusal must be reported to the Academic Registrar, who will take such action to enforce this policy as they think necessary.
- 5.59 Each year, the College must receive a report that enables it to monitor, identify and act on any shortfalls in how this policy is interpreted and applied.
- 5.60 The annual report must include statistical data on the number of applications by type (young or vulnerable); the outcomes, Departments and programmes from which they originate; the length of the process; and the equality characteristics (including sex, disability and ethnicity) of those admitted and those refused.
- 5.61 Every two (2) years, the College must review these regulations to ensure that:
- a) they remain up to date and continue to meet the expectations of the UK Quality Code, applicable legislation or guidance;
  - b) areas of improvement, or any concerns, raised by students, external examiners, or professional bodies have been addressed; and
  - c) opportunities to reduce unnecessary bureaucracy have been taken.

**Schedule (not part of the policies or regulations):**

*Responsible Officer: Head of Advisory and Engagement*

*Approved by: Board of Directors and Academic Board*

*Version: 1.0*

*Date: 24 February 2016*

*Monitoring and Review Body: Academic Regulations and Awards Committee*

*Effective From: 01/06/2017*

*Next Scheduled Review: April 2019*