

## THE ROYAL COLLEGE OF SURGEONS OF ENGLAND

### CONFLICTS OF INTEREST POLICY

Adopted at a meeting of the Trustees on 12<sup>th</sup> June 2015

#### 1. Introduction

1.1 This policy applies to:

- (a) Trustees;
- (b) Council Members;
- (c) the committees of the Trustees;
- (d) the committees of the Council;
- (e) such other College Appointed Roles as Council and/or the Trustees shall from time to time direct.

of the Royal College of Surgeons of England (the **College**). It sets out guidelines and procedures for identifying, monitoring and managing actual and potential conflicts of interest.

1.2 Under Ordinances 4.10 and Regulation 6.1, a Trustee must avoid a situation in which he or she has an interest or duty that conflicts or possibly may conflict with the interests of the College. This duty is not infringed if:

- (a) the situation cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) the situation is authorised by the Trustees in accordance with paragraph 5.3 below (which reflects the terms of Ordinance 4.11 and Regulation 6.2); or
- (c) the situation relates to the purchase of trustee indemnity insurance.

1.3 The Council Members are under similar duties, pursuant to Standing Rule 6.11.

1.4 The Trustees have consequently resolved to ensure that these obligations are met, and to deal with the conflicts of interest of members of committees, by adopting the rules set out in this policy.

#### 2. Identifying Conflicts

2.1 Conflicts of interest can inhibit open discussions and may result in irrelevant considerations being taken into account and/or decisions being taken that are not in the best interests of the College. They arise where Trustees, Council Members or committee members (or members of their families):

- (a) have personal interests which could, or could be seen to, prevent them from making a decision only in the best interests of the College; and/or

- (b) have loyalties or owe duties to another person or organisation which could prevent them from making a decision only in the best interests of the College.

2.2 The Trustees, Council Members, and members of committees should be alert to situations that may give rise to a conflict of interest. It is impossible to list every situation which may result in a conflict, but common situations might include:

- (a) discussing and setting the College's annual budget;
- (b) choosing and appointing professional advisors;
- (c) reviewing and approving business cases;
- (d) discussing and approving investment in major projects (e.g. Project 2020).

### **3. Register of Declared Interests**

3.1 The College's Register of Declared Interests will be kept by the Chief Executive (or his or her nominee). It will contain the original Conflict of Interest Statements made pursuant to this policy.

3.2 The Register of Declared Interests will be available to the Trustees, the Council, the College's auditors and any other person authorised by the Trustees from time to time.

### **4. Declaring Interests**

4.1 In the interests of transparency and good governance, any interest of the Trustees, Council Members and members committees (or members of their families) which could give rise to (or which could be seen as giving rise to) a conflict of interest ought to be disclosed. Accordingly, persons to whom this policy applies shall complete a Conflicts of Interest Statement:

- (a) within one month of his or her appointment as a Trustee, Council Member or committee member (as applicable);
- (b) in subsequent years, usually one month before the beginning of the College Year.

4.2 A copy of the College's Conflict of Interests Statement is set out in Schedule 1. The guidance notes set out in Schedule 2 shall be reproduced on all Conflicts of Interest Statements.

### **5. Procedure at Meetings**

5.1 Trustees, Council Members and members of committees participating in any meeting of the College must declare at the beginning of the relevant item of business and before discussion begins on that item any matter in which s/he has an interest (or in which a member of his/her family has an interest).

5.2 The non-conflicted Trustees, Council Members or committee members will then:

- (a) assess the nature of the conflict;
- (b) assess the risk or threat to decision-making;

- (c) decide whether the conflict is non-trivial (that is, is material or has the potential to be, or be perceived to be, detrimental to the conduct or decisions taken by the Trustees, Council or committee, as applicable);
  - (d) decide what steps to take to avoid or manage the conflict.
- 5.3 The unconflicted Trustees, Council Members or committee members (as applicable) may authorise the conflict of interests, provided that:
  - (a) the procedure in paragraph 5.4 is followed;
  - (b) authorisation will not result in any direct or indirect benefit to be conferred on a Trustee, Council Member or member of the College that would not be permitted by Article 11 of the College's Royal Charter (reproduced at Schedule 3 of this policy); and
  - (c) the unconflicted Trustees, Council consider it is in the best interests of the College to authorise the conflict in the circumstances.
- 5.4 The conflicted Trustee, Council Member or committee member must:
  - (a) declare his or her interest in accordance with paragraph 5.1;
  - (b) withdraw from the meeting for that item unless expressly invited to remain in order to provide information;
  - (c) not be counted in the quorum for that part of the meeting; and
  - (d) withdraw during the vote and have no vote on the matter.
- 5.5 All decisions under a conflict of interest will be recorded and reported in the minutes of the meeting.
- 5.6 In the case of grave or ongoing irreconcilable conflicts of interest between the College and a Trustee, Council Member or committee member, it may be that, in the best interests of the College, the individual has no option but to resign from his or her position.

## **6. Monitoring and Compliance**

- 6.1 Any Trustee, Council Member or committee member who becomes aware of a breach of this policy shall report it to the Chief Executive as soon as possible.
- 6.2 The Trustees have adopted this policy in order to monitor and manage conflicts of interest. Any failure to comply with the terms of this policy will not, in itself, result in a decision of the Trustees, Council or a committee being invalidated.

## **7. Amendment**

This conflicts of interest policy may be amended, varied or added to at any time by resolution of the Trustees, following discussion with Council.

**SCHEDULE 1**  
**CONFLICTS OF INTEREST STATEMENT**

I confirm that:

1. I have read and accept the Guidance Notes which form part of this Statement.
2. I have set out below all actual and potential conflicts that I am aware of at the date of this Statement (please use a continuation sheet if the space below is inadequate for the declarations you need to make).
3. I understand that, in the event of a further conflict of interest (potential or actual) arising prior to my being asked to update this Statement, I should request, complete and return a revised Statement to the Chief Executive.

Example	<i>My partner is a non-executive director of XWZ plc, a company involved in supplying consultancy services to the College.</i>
1.	
2.	
3.	
4.	
5.	

NAME (please print).....DATE.....

POSITION/TITLE.....

SIGNATURE.....

Please return this form to the Chief Executive.

## **SCHEDULE 2**

### **GUIDANCE NOTES**

#### **Background**

Any interest of certain individuals involved in the College that could be seen as or which could give rise to a conflict of interest is required to be disclosed. This Conflicts of Interest Statement is provided for that purpose.

#### **Completion of the Conflicts of Interest Statements**

##### ***Who must complete a Conflicts of Interest Statement?***

Conflicts of Interest Statements should be completed by all persons to whom the conflicts of interest policy applies. These include the Trustees, Council Members and members of the committees of the Trustees and the committees of the Council.

The Trustees may require any other persons carrying out a role within the College to complete a Conflicts of Interest Statement at any time.

##### ***Which conflicts should be declared?***

As a general rule you should include in your Conflicts of Interest Statement details of any interest of yours (or of a member of your family) which could give rise (or could be seen as giving rise) to a conflict with your position within the College.

By way of example, such matters will include:

- paid or unpaid employment or self-employment (including partnerships);
- company directorships, consultancies, advisory posts, other positions of responsibility etc (whether remunerated or not);
- public or voluntary sector appointments (including charity trusteeships);
- substantial shareholding(s) and beneficial interests (whether in terms of value or % of issued capital) held by you and/or members of your family in a company: (a) in which the College has funds invested; or (b) which may have dealings with the College. 'Substantial' would include a controlling interest;
- industrial support;
- membership of any special interest group.

***"Family members"***

For the purpose of the Conflicts of Interest Statement a person is treated as a member of your family if he or she lives within your household or is a close relative (i.e. spouse, civil partner, parents, siblings, child/step child and grandchild/ step grandchild).

***What should I do if I am unsure whether to declare a matter on the Conflicts of Interest Statement?***

If you are unclear whether something may give rise to a potential conflict, discuss this with the Chief Executive for guidance, and always err on the side of caution. As a general guide, you should ask yourself, *"Are there any circumstances in which this interest could embarrass or damage the reputation of the College?"*. If the answer is in the affirmative you should declare the matter.

**Declaration of conflicts at meetings**

Individuals participating (in whatever capacity) in any meeting of the College (including Trustees attending Trustees' meetings and Council Members attending Council meetings):

- should declare at the beginning of the relevant item of business and before discussion begins on that item any matter in which s/he has a personal interest (or in which a member of his/her family has a personal interest);
- must withdraw from the meeting for that item unless expressly invited to remain in order to provide information;
- must not be counted in the quorum for that part of the meeting; and
- must withdraw during the vote and have no vote on the matter.

### SCHEDULE 3

#### ARTICLE 11 OF THE CHARTER

##### **Benefits to Members, Trustees and Council Members**

11. No provision, gift or bonus shall be made or given to or provided for any member of the College or of any constituent part of the College or to any Trustee or Council Member. Provided that nothing shall operate to preclude or restrict:
  - 11.1 the provision or awarded of scholarships, exhibitions, grants, medals or prizes or the provision or maintenance for the benefit of members, Trustees or Council Members generally of proper amenities or facilities including the distribution without charge of any journal or other publication of the College or of any of its constituent parts;
  - 11.2 the payment of fees to lecturers or examiners; or
  - 11.3 the payment to any officer or employee of the College or of any of its constituent parts or to any member, Trustee or Council Member or person connected to a member, Trustee or Council Member, of reasonable and proper remuneration in return for any services actually rendered to the College or any of its constituent parts and of out-of-pocket expenses properly incurred in connection with the business of the College or any of its constituent parts.

In this Article 11, “services” means any services that would not be provided by a member, Trustee or Council Member as part of the normal duties associated with that role or office.