

National Infrastructure Commission: conflicts of interest policy

Introduction

1. This document sets out the principles, guidelines and procedures through which the National Infrastructure Commission (NIC) will identify, monitor and manage any actual, potential or perceived conflicts of interest.
2. The provisions described in this document are intended to:
 - a. ensure the operational independence, integrity and impartiality of the NIC;
 - b. avoid any perception that a Commissioner or official may obtain an unfair advantage through their role on, or connection with, the NIC;
 - c. provide clear guidance on how any conflicts, or perceived conflicts, will be managed by the NIC; and in so doing;
 - d. reduce the number of conflicts, and perceived conflicts, that may arise between the work of the NIC and private interests of commissioners and officials.
3. This conflicts of interest policy applies to all Commissioners and staff working in the NIC secretariat, including those on secondment or loan. It is each individual's responsibility to ensure that they comply with the provisions of the policy.
4. The NIC's approach to managing conflicts of interest is consistent with the 'Nolan Principles' determined by the Committee on Standards in Public Life. These principles are set out in Annex A. The NIC expects all Commissioners and officials to behave in accordance with these principles.

Conflicts of interest

5. The principal function of the NIC is to provide impartial, expert advice and to make independent recommendations to the government on economic infrastructure.
6. Any interests which affect, or may reasonably be perceived as capable of affecting, impartiality or independence of judgement are considered 'relevant interests' for the purposes of this document.
7. Relevant interests may arise from:
 - a. Financial interests, for example:
 - i. any employment, office, trade, profession or vocation carried out by the individual or his/her partner or other close relative for profit or gain;
 - ii. any sponsorship, payment or provision of financial benefit (other than from the NIC) provided within the previous twelve months in respect of any expenses incurred by the individual in carrying out his/her duties;
 - iii. any contracts for goods, services or works which have not been fully discharged between the individual or his/her partner (or a body in which the individual and his/her partner has a beneficial interest) and:

- the NIC; and
 - a body known to be impacted (either directly or indirectly) by the NIC's recommendations;
- iv. any beneficial interest in land, the value and designation of which may be affected by the NIC's work;
 - v. any tenancy on premises which, to the individual's knowledge, may be impacted by the NIC's work and where either the landlord, or the tenant is a body in which the individual or his/her partner has a beneficial interest;
 - vi. any beneficial interest in securities of a body, the commercial interests of which are likely to be affected by the NIC's recommendations.

Relevant interests are unlikely to arise in cases where:

- vii. the value of assets is too low to be material;
- viii. individuals hold goods and/or benefit from services bought on the open market on normal commercial terms available to other buyers (e.g. banking or insurance services, telephone services, travel and tangible assets purchased on normal terms on the open market);
- ix. assets are held in collective investment schemes where the investor has no control over individual investment decisions and has no ownership of the underlying investments.
- x. Assets are held in blind trusts where the beneficiary has no involvement in the management, acquisition or disposal of items in the trust.

b. Organisational relationships, for example:

- i. any membership or office held in other bodies:
 - which exercises functions of a public nature; or
 - which is directed to charitable purposes; or
 - one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);
- ii. any membership or office held in other bodies to which the individual has been appointed or nominated by the NIC;

c. Personal relationships, for example:

- i. any close associations and family relationships with individuals whose financial interests and/or organisational relationships are likely to be affected to a greater extent than the wider public by the NIC's decisions/recommendation;

d. Prejudgement, for example:

- i. any instances where individual's ability to consider issues with an open mind is compromised, or may be perceived as having been compromised, as a result of strong views expressed previously by the individual (e.g. in a book, article, speech). This may include views about issues, particular places and cases, or a particular type of evidence or methodology.

The NIC Compliance Officer

8. The Oversight Board will designate a Compliance Officer who will:
 - a. provide advice to the NIC on managing conflicts of interest;
 - b. make appropriate arrangements for the preparation and publication of a register of interests;
 - c. make appropriate arrangements to ensure that all commissioners and officials are aware of their responsibilities regarding the management of conflicts of interest;
 - d. provide advice to the NIC on the appropriate use and application of this conflict of interest policy, recognising that the NIC requires integrity to function properly, but that inappropriate use of this policy may discourage the participation of qualified Commissioners and officials; and
 - e. review the operation and effectiveness of this conflicts of interest policy at regular intervals.
9. The role of Compliance Officer will normally be held by the NIC Chief Executive. In the event that the Chief Executive becomes conflicted during the exercise of his/her duties, the role of Compliance Officer will be assumed by another member of the Senior Management Team.

The NIC register of interests

10. The NIC will prepare, maintain and publish a register of Commissioners' interests. All relevant interests should be declared on this register.
11. Commissioners are required to submit a declaration of interests form (See Annex B) within 28 days of being appointed as a Commissioner or before attending their first meeting of the Commission, whichever is the sooner.
12. Each Commissioner must keep his/her entry in the register up to date by notifying the NIC Compliance Officer of any changes to his/her relevant interests within 28 days of the change occurring or before the attending the first meeting of the Commission after the change to his/her relevant interests, whichever is sooner. At least once in every twelve-month period, each Commissioner should review the information relating to him/her contained in the register of interests and confirm it is correct.
13. Changes may arise either because of changes in an individual's outside interests, or as the work of the NIC develops and changes (e.g. if the NIC were to begin a new project, or involve new parties in its work).
14. If any doubts arise as to the relevance of an outside interest, the NIC Compliance Officer should be informed of all relevant facts. The principle of 'if in doubt, disclose' should be applied.
15. The NIC will prepare and maintain a separate register of interests for its Senior Management Team and other members of the secretariat as appropriate, ensuring all relevant interests are declared. The Oversight Board will be responsible for reviewing these interests at regular intervals and determining which, if any, additional officials should be included in the register, based on the seniority of their role and the extent of their outside interests.

Handling conflicts of interest

16. If a Commissioner:
 - a. considers that he/she has a relevant interest which may give rise to a conflict with the business of the NIC; or
 - b. is unsure if his/her interests gives rise to a possible conflict,then he/she should disclose this to the NIC Compliance Officer as soon as possible so that further guidance can be offered.
17. If a Commissioner has a relevant interest in connection with an item of business to be considered at a meeting of the Commission, he/she must disclose that interest to the Compliance Officer in advance of the meeting. In the event that an individual becomes aware of a potential conflict during the course of discussion within a Commission meeting, he/she must declare it as soon as possible.
18. The Chair will inform the Commission of any interests declared in advance of the meeting, which may give rise to an actual or perceived conflict. The Commission must then decide whether the individual(s) who has declared interests should be permitted to participate in a) discussions, and b) decisions on the business in question, and if this participation should be subject to specific conditions.
19. In order to reach this decision, the Commission will, without the presence or participation of the individual who has declared the interest:
 - a. assess the nature and significance of the interest declared;
 - b. assess whether a perception could arise that the individual may gain an unfair advantage by influencing discussion and NIC decisions;
 - c. assess the risk to the integrity and impartiality of the NIC;
 - d. decide whether the interest declared may give rise to an actual or perceived conflict, and consider what steps (if any) can be taken to avoid or manage the conflict; and
 - e. assess the extent to which the individual will, as a result of an actual or perceived conflict, be able to continue to fulfil his/her role.
20. The Compliance Officer will provide and/or source advice to the Commission, including legal advice as appropriate, to inform assessments and decisions. In the event of a potential conflict being identified during a meeting, and where further legal advice is required, the individual(s) concerned should recuse themselves from the discussion and decision-making process. Alternatively, with the agreement of the Chair, the item in question will be postponed until such time as the matter is resolved.
21. If the Commission considers that the interest declared **does not** give rise to a conflict/perceived conflict, the individual who has declared the interest may continue to participate in all the discussions and the decision-making processes.
22. If the Commission considers that the interest declared **does** give rise to a conflict/perceived conflict, it will determine what action is appropriate in light of the nature and extent of the conflict. The Compliance Officer will be responsible for ensuring there is a written record of the decision and the reasoning behind the decision.

23. Not all conflicts/perceived conflicts will preclude participation in NIC activity. For example, the Commission may decide that an interest is sufficiently minor that it warrants no action at all. In other cases, action may be taken to remove, reduce or manage a conflict/perceived conflicts. Action may include:
- a. transparent reporting of the potential conflict;
 - b. reducing an individual's participation in specific projects, for example:
 - i. the conflicted individual may input into a project as an advisor, but not as a decision-maker; or
 - ii. the conflicted individual may be recused from specific parts of the decision-making process, such as not reviewing a particular recommendation or chapter of a report;
 - c. an individual's recusal – in part or in full – from specific NIC studies or projects;
 - d. an individual disposing of, or severing an outside interest; and
 - e. in extreme cases, the Commission Chair or Compliance Officer writing to the Chancellor to suggest that the individual who has declared the interest be removed from office.
24. The Compliance Officer will write to the individual who has declared the interest, informing them of the Commission's decision. The minutes of the Commission meeting will also note:
- a. the interest declared;
 - b. the Commission's decision;
 - c. the reasons why the Commission considered that it gave rise to an actual or perceived conflict (if relevant); and
 - d. any action to be taken to remove, reduce or manage a conflict/perceived conflict.
25. In deciding on action to remove, reduce or manage a conflict/perceived conflict, the Commission should balance the need to protect the independence and impartiality of the NIC, against the risk that an undue concern for appearances could interfere with the functioning of the NIC.

Undisclosed Interests

26. In the event that an interest that gives rise to a conflict/perceived conflict is not disclosed, but is later discovered, the Commission will consider appropriate action on a case-by-case basis, with reference to the seriousness of any breach of the Principles of Conduct Underpinning Public Life.

Publishing the register of interests

27. The Compliance Officer will ensure that the NIC's register of interests is published on the NIC's website and updated at regular intervals.
28. Where the nature of an individual's interest is such that the individual and the Compliance Officer consider that disclosure could lead to the individual, or persons connected with the individual, being subject to violence or intimidation, then published copies of the register will

not include details of that interest. Published copies of the register may, however, state that the individual has an interest, and that details have been withheld.

Gifts and Hospitality

29. It is accepted that hospitality will, on occasion, contribute to maintaining and developing contacts that help the NIC to carry out its role more effectively. However, it is important at all times to safeguard the Commission's independence and impartiality. Accepting gifts and hospitality should not be part of usual business; it is expected that acceptance will be infrequent.
30. In deciding whether to accept a gift or offer of hospitality, Commissioners and officials should consider the following principles:
 - a. Purpose – acceptance should be in the interests of NIC and should further its objectives.
 - b. Proportionality – hospitality should not be over-frequent or over-generous. Accepting hospitality frequently from the same organisation may lead to an impression that the organisation is gaining undue influence over the NIC. Similarly, hospitality should not seem lavish or disproportionate to the nature of the relationship with the individual or organisation offering the gift/hospitality.
 - c. (Avoidance of) conflict of interest – individuals should consider the wider relationship between the NIC and the individual/organisation offering the gift/hospitality, including whether they are in, or seeking to enter into, a business relationship with the NIC.
31. In most cases common sense will determine whether an offer of hospitality or gift should be accepted. However, where an individual is in any doubt as to the appropriateness of accepting a gift or hospitably, the Compliance Officer should be consulted.
32. All individuals should, within 28 days of receipt, notify the Compliance Officer of any gift or hospitality with a value in excess of £25 which he/she has accepted, from any person or body, in their capacity as a Commissioner or official. In notifying the Compliance officer, the following information should be provided:
 - a. a description of the gift or hospitality;
 - b. its estimated value;
 - c. the date on which the gift or hospitality was received;
 - d. details of the person or organisation providing the gift or hospitality; and
 - e. details of the recipient of the gift or hospitality.
33. While individuals are not required to declare gifts or hospitality which they have declined, they should consider declaring any offer which could be perceived as significant or controversial. All individuals should alert the Compliance Officer to any such offer in order to allow appropriate action to be taken corporately and/or further guidance to be given where necessary.
34. Commissioners and officials are not required to declare acceptance of the following:
 - a. Working meals taken in the course of meetings or provided by other public sector bodies during fact finding or information sharing events; or

- b. Attendance at seminars or conferences which would in other circumstances be the subject of a charge to attendees and/or hospitality provided at such events so long as it is proportionate to the nature of the event (e.g. a buffet lunch); or
 - c. Hospitality arising from a public office held outside the NIC where the receipt of that hospitality is subject to the rules of another public body or institution; or
 - d. Hospitality which is wholly unrelated to the recipient's status as a Commissioner or NIC official.
35. A register of gifts and hospitality will be published on the NIC's website and updated at regular intervals.

Annex A

THE NOLAN PRINCIPLES

The Nolan Principles of Conduct Underpinning Public Life

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or other friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

**Annex B:
REGISTRATION OF INTERESTS FORM**

DECLARATION OF INTERESTS

Name: _____

NATURE OF INTEREST	ORGANISATION	ROLE	DATES	COMMENTS
Employment – details of employment/partnership in which the Commissioner is involved.				
Other Company Interests – relationships with any other companies which may have a connection with the work of the NIC, for example as a non-executive director and/or shareholder.				
Public Appointments – paid or unpaid, including non-executive and special advisory roles.				
Memberships – including membership of professional or external bodies which may have a connection with the NIC.				
Other – details of any other relevant roles in charities; political parties; pressure groups and/or relevant personal relationships. Relevant landholdings should also be declared.				

Signed: _____

Date: _____