

UNIVERSITY OF KENT

Declaration/Conflict of Interest Policy – for Council members

Preamble

1. Acting in accordance with the Higher Education Code of Governance and the Office for Students Audit requirements, the University Council has established a Register of Interests for members of Council and for all members of University staff.
2. Members of Council have an obligation to avoid conflicts between their private interests and personal relationships and their duty to the University, particularly where any conflict could be against the University's interests or weaken public confidence in the conduct of the University's business. Members of Council should be aware of the significant negative effects that a conflict of interest, or the perception of one, can have on the reputation of the University and on public trust and confidence generally.
3. The Nolan Principles, the seven principles of public life, form the basis of the ethical standards expected of all public office holders. The principles are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
4. A **conflict of interest** arises where the commitments and obligations owed by a member of Council to the University of Kent or to other bodies, for example a funding body, are likely to be compromised or may appear to be compromised by that person's personal gain, or gain to immediate family (whether financial or otherwise). A **conflict of loyalty** is where the Council member's duty to the University may compete with a duty or loyalty that they owe to another organisation or person.
5. For the purposes of the Register an interest is defined to be any financial or other personal interest an individual may have in any relationship or proposed relationship between the University and an external body. This would include consultancy, employment, directorship or other activity within a commercial concern, shareholding, or membership of statutory and public authorities. Other education establishments and companies with which the University has an actual or potential business relationship should also be included, as should any interest that a family member, related party or connected person might have that could give the appearance of a conflict, even where no actual conflict exists.

The existence of a conflict of interest does not reflect on the integrity of the affected member of Council as long as it is properly addressed.

Policy

6. There is a general duty on all members of the University Council to disclose at the earliest possible stage any financial or other interest they may have in any transaction, or proposed transaction, between the University and a third party. The disclosure of such an interest should be made in writing to the University Secretary upon appointment and subsequently on an annual basis. The University Secretary will maintain a Register of declared interests.
7. From the Standing Orders of Council:

“(ix) Declaration of Interest

Members should declare interests as follows:

- (a) **in the Register of Interests.** Declarations should be made upon appointment and on an annual basis, this to include the interests concerned or that there are no interests to be declared.
- (b) **by giving notice before the meeting** concerned to the Chair.
- (c) **by declaration to the meeting** at the appropriate point.

The Chair will determine whether the member concerned should withdraw for the item concerned and/or any vote taken.”

Any declarations made during a meeting regarding that meeting’s business will be recorded in the Minutes by the Secretary. If a member of Council is uncertain whether he or she is conflicted, they should err on the side of openness, declaring the issue. If a member of Council is aware of an undeclared conflict of interest affecting another member of Council, they should notify the Chair.

Lay members of Council have a personal responsibility to declare conflicts of interest so that they fulfil their legal duty to act only in the best interests of the University.

As members of Council must make their decisions only in the best interests of the University, they must consider the issues of any conflicts of interest so that any potential effect on decision making is eliminated. This should be completed by either removing the conflict or preventing the conflict from affecting the decision.

Where there is a potential trustee benefit (a potential benefit to the Council member due to a decision taken by Council) then the Council must ensure that it is acting only in the best interests of the University to prevent the conflict of interest from affecting decision making and to ensure that there is an appropriate authority in place before any decision conferring trustee benefit is made. The law says that Council members can only benefit from the University when there is an explicit authority obtained in advance, either from the governing documents, a statutory provision, the Charity Commission or the court. The term “trustee benefit” includes any payments or benefits to trustees (members of Council) or a related party/connected person, apart from their reasonable out of pocket expenses and includes property, loans, goods or services. Authority is required where there is any possibility of benefit, so trustees must ensure that there is a proper authority for any situations where trustees could benefit, irrespective of whether there is any actual benefit.

Council can pay a trustee for services providing that it does so in accordance with Charity Commission guidance (on paying trustees for services) and with the explicit consent of Council.

Members of Council should read and consider “Conflicts of interest: a guide for charity trustees”

<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29>

Notes

- i. Members of the Council are required to declare the names of any charities of which they are also trustees within their declaration. This information is required to be published on the University’s website and included in the University’s audited financial statements. The information given in relation to close family members/related parties (see ii below) will not be published and will be held on a closed register for the purposes of management/external auditors assurance on related party disclosures.

- ii. It is the responsibility of each individual to consider whether there are interests they should declare. There can be situations in which the appearance or perception of conflict of interest is present even when no conflict actually exists and each individual should recognise this and disclose it where appropriate. If a person is in doubt as to whether to register an interest, it probably should be registered. Interests could include the interests of family members, such as a spouse, partner or other close family member. The University's external auditors require Council members to declare their close family members/related parties in accordance with accounting standards.

Close family members / related parties as per Accounting Standards

The definition of related parties is similar under IAS24 and UK GAAP. A related party is a person or entity that is related to the entity that is preparing the financial statements.

A person or a close member of that person's family is related to a reporting entity if that person:

- i. Has control or joint control of the reporting entity;
- ii. Has significant influence over the reporting entity; or
- iii. Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- a) That person's parents, children and spouse or domestic partner;
- b) Children of that person's spouse or domestic partner; and
- c) Dependents of that person or that person's spouse or domestic partner.

Examples of the nature of interests that should be declared are listed below (not exhaustive):

Company – any relationship with a named company with which the University of Kent might do business, including the University's own subsidiaries.

Shareholding above 3% notifiable level for directorships, paid employment, partnership, consultancy or close family connection.

Self-employment (accounting for more than 5% of annual income).

Property – freehold or leasehold ownership of any properties in which the University might have an interest.

Charities – trusteeship or governorship or employment with.

Public appointments – paid or unpaid.

Memberships – professional bodies, trade or other associations, external bodies.

Hospitality or gifts offered by an external party and whether these were declined or accepted.

Close family/related parties links to any of the above.

- iii. Conflicts of interest may be financial or non-financial or both. Financial interest refers to anything of non-trivial monetary value, including, but not limited to, pay,

commission, consultancy fees, equity interests, forgiveness of debt, property, royalties and intellectual property rights. Non-financial interest refers to any non-financial benefit or advantage, including, but not limited to, enhancement of an individual's career, education or professional reputation; access to privileged information or facilities.

- iv. Membership of an external body brings with it an obligation (and sometimes a statutory duty) to act in the best interests of that external body. Such obligations may overlap with those required to the University of Kent leading to a **conflict of loyalty**. Council members should ensure that they continue to give their primary commitment and allegiance to the University of Kent unless it is not possible to do this. In this instance, the Council member would need to consider their position. External bodies include statutory and public authorities, other education establishments and charities, companies with which the University itself has an actual or potential business relationship (for the provision of services or research or for investment) and membership organisations.
- v. The Register is updated in November each year and for Council members the submission of a declaration (including a nil return) before the end of October is mandatory. Forms for the declaration of interests are available on line at: <https://www.kent.ac.uk/governance/register-of-interests/Declaration-of-Interests-Policy.html>
- vi. Copies of schedules of suppliers of goods and services to the University and of the University's current investments can be made available for consultation on request to the University Secretary.
- vii. Confidential advice on this Policy may be sought from the University Secretary, but in considering whether and what interests to declare, individuals may wish to ask themselves whether members of the public knowing a particular piece of information about an individual might reasonably conclude that the relevant interest could influence his or her judgement. If they might so conclude, the best protection for the individual and for the University would be for the interest to be declared in the Register.
- viii. This Policy is approved by Council and reviewed every three years unless amendments are required sooner.

Related Policies

The following policies are available at: <http://www.kent.ac.uk/governance/policies-and-procedures/index.html>

Anti-Bribery and Corruption Policy
Ethical Conduct and External Activity
Whistleblowing Policy
Fraud Prevention and Response Policy
Policy on Personal Benefit

Policy approved 7 December 1995; last updated 11 August 2015
KJL/JLP/hap/11.08.2015

Updated JLP 27/8/2019

Updated SHM 02/06/2025