

## Guidance on Managing Conflicts of Interest July 2022



## Libraries NI

### Guidance on Managing Conflicts of Interest v3.0 (July 2022)

#### 1. Introduction

- 1.1 This guidance has been produced to support the Conflicts of Interest Policy and assist in the identification, declaration and management of actual, potential or perceived conflicts. It should be read in conjunction with the Policy and other relevant documents, including the Code of Conduct for Board Members, the Code of Conduct for Staff, policies on the acceptance and provision of Gifts and Hospitality, the Anti-Fraud Policy, the Anti-Bribery Policy and the Whistleblowing Policy.
- 1.2 Board Members and staff are required to discharge their duties in a manner that is honest, fair and unbiased and to ensure that decision-making is open and transparent and is seen to be so. A conflict of interest that is not declared, even if unintentionally, or that is managed poorly, creates, at best, a risk of allegations or perceptions of misconduct. It could potentially result in more serious consequences, such as disciplinary action against the individual or litigation against the organisation and severe reputational damage

#### 2. What is a Conflict of Interest?

- 2.1 ***A conflict of interest occurs when the private interests of a Board Member or member of staff (or those of a close relative<sup>1</sup>, friend or associate) could influence improperly, or appear to influence improperly, that Board Member or member of staff in the performance of his / her official duties.***

#### 3. Types of Conflicts of Interest

- 3.1 Conflicts of interest fall into two broad categories;
- **Material or Pecuniary Interests** – involving an actual or potential material gain or loss  
*Example - You are the silent partner in a family shop which supplies newspapers to a local library - you directly profit from the arrangement*
  - **Non-material Interests** – do not give rise to a direct financial or material gain or loss  
*Example – A close friend has submitted a tender to Libraries NI and asks you to keep an eye on its progress – you do not gain directly but may provide information which gives an advantage to your friend.*

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<sup>1</sup> Refer to section 5 of this guidance - definition of relevant family relationship

3.2 Conflicts of Interest can be considered as actual, perceived or potential;

- **Actual Conflict of Interest** – a public official or Board member is in a position **to be** influenced by their private interests when doing their job.
- **Perceived Conflict of Interest** – a public official or Board member is in a position to **appear** to be influenced by their private interests when doing their job.
- **Potential Conflict of Interests** - a public official or Board member is in a position where they **may be** influenced **in the future** by their private interests when doing their job.

3.3 The following scenario demonstrates how each of the types of conflict of interest may come into play when you are doing your job. You may note the difficulties that can arise with perceived conflicts of interest and therefore how important it is to manage these situations effectively.

Scenario	Type of conflict	Why this is so
As an employee of Libraries NI you and your Manager regularly assess tender/quotations for catering/hospitality services	No conflict	This is part of your assigned official duties, but you have <b>no relevant private interests</b> that may impact on carrying out these duties.
↓		
You meet and marry a partner who owns a local catering business	Potential Conflict	Your <b>private interests are currently not relevant</b> to your official duties but they could be in the future if your spouse's company submits tenders to provide services to Libraries NI
↓		
Your spouse's company submits a tender to cater for Libraries NI Board meeting but only your Manager assesses the application.	Perceived Conflict	Although you do not assess the tender yourself, some may consider your own <b>private interests are relevant</b> to, and may have influenced on the outcome.
↓		
Your Manager asks you to take part in assessing a second tender from your spouse's company.	Actual Conflict	Your <b>private interests are relevant</b> to your assigned official duties and could improperly influence your assessment, that is, your spouse is a related individual who stands to benefit or lose by the assessment outcome.
↓		
Your Manager resigns and is not replaced quickly leaving you as the only person available to assess catering quotations/tenders	Potential Conflict	Your <b>private interests will be relevant</b> to your assigned official duties any time during this period that your spouse's firm submits tenders

## 4 Recognising a Conflict of Interest

4.1 The following questions may help you to determine if you may have an actual, potential or perceived conflict of interest in carrying out your duties or in an issue being considered. If you answer 'Yes' to any of the questions it does not necessarily mean that you have a conflict of interest. It does mean, however, that you should be aware of the possibility and make an informed decision as to the action you and others might need to take to manage or avoid a situation which could be damaging for Libraries NI and / or for you.

		Yes	No
1.	Would I, or a personal partner or relative, friend, close associate benefit from, or be detrimentally affected by, the decision or action being proposed?		
2.	Could there be benefits for me in the future that could cast doubt on my objectivity?		
3.	Do I have a current, or previous, personal, professional or financial relationship or other association with an interested party?		
4.	Would my reputation or that of a personal partner, relative, friend or close associate be enhanced or damaged as a result the decision or action being proposed?		
5.	Do I, or personal partner, relative, friend or close associate stand to gain financially, either directly or indirectly, as a result of the decision or action?		
6.	Do I hold, or have I expressed, any personal views that may lead others to reasonably conclude that I could have an undue interest in this matter?		
7.	Have I contributed in a private capacity in any way to the matter under consideration?		
8.	Have I made any promises or commitments to anyone in relation to the matter?		
9.	Have I received a gift, benefit or hospitality from anyone who stands to gain or lose as a result of the decision or action being proposed?		
10.	Am I a member of an association, club or professional organisation or do I have particular ties or affiliations with organisations or individuals who stand to gain or lose as a result of the proposed decision or action?		
11.	Could this situation have an influence on any future employment opportunities outside my current official duties?		
12.	Could there be any other benefits or factors that might cast doubt on my objectivity?		

## 5. Family Relationships

5.1 It is recognised that in managing conflicts of interest it can be difficult to identify the extent of family relationships which should be taken into account. For the purposes of this guidance and operation of the Conflicts of Interests Policy the following definitions apply;

5.2 A 'close relative'

Refers to an individual Board or staff member's spouse or partner, children (adult and minor), parents, brothers, sisters, in-laws and the personal partners of any of these. For other relatives it is dependent upon the closeness of the relationship and the degree to which the decisions or activity of Libraries NI could directly or significantly affect them or be influenced by them.

5.3 Personal friend or associate

Refers to someone with whom the individual has a longstanding and / or close relationship, socialises with regularly or has had dealings with which may create a conflict of interest

## 6. Managing Conflicts of Interest

6.1 Board Members and relevant staff (Appendix A - List of Relevant Staff) must;

- **Submit an annual declaration of Interests form**
- **Update their Declaration of Interests form should circumstances change**
- **Follow the additional requirements relating to Decision Making Meetings and Recruitment/Procurement evaluation panels**

6.2 **Declaration of Interests Form** - Board Members and relevant staff must be open and transparent about any overlap between their official role and private interests and must fully disclose any such conflict of interest by complete a declaration of interests form annually (Appendix B – Declaration by Staff, Appendix C – Declaration by Board Member) and updating that declaration of interests form in the intervening period, if their circumstances change.

6.3 Managers should ensure all relevant staff submit a declaration annually, review all Declaration of Interests Forms from staff, discuss any actual or potential conflict of interest identified and agree and document / record appropriate action with him / her to manage the situation.

6.4 The Chairperson of the Board of Libraries NI should ensure all members submit a declaration annually, review all Declaration of Interests Forms from

members and discuss any actual or potential conflict of interest identified and agree and document / record appropriate action with him / her to manage the situation. The Chairperson's own Declaration should be formally noted by the Accounting Officer and forwarded to the Permanent Secretary at the Department.

6.5 Where an actual or potential conflict of interest has been identified and the course of action required to manage it is not clear, the Chairperson and/or Managers may seek advice on the specific case from the Libraries NI Head of Internal Audit.

6.6 In addition the following special circumstances apply;

**Recruitment and Procurement activities** - Board Members and staff directly involved in recruitment and procurement panels are required to declare any known or potential conflicts of interest prior to the commencement of the shortlisting / assessment process (i.e. interests are formally recorded at the outset) or at a relevant stage if they become aware subsequently of an actual or potential conflict of interest. In such circumstances they will be required to withdraw from the selection / assessment panel and take no further part in the process. Any disclosure and the subsequent action will be recorded in the notes of the panel meeting.

**Decision Making Meetings** - The following meetings are deemed to be decision-making meetings. Declarations of interest must be recorded at the outset of or at a relevant stage during, these meetings:

- Board meetings
- All Board Committee meetings
- SMT meetings
- Project / Programme Board meetings

6.7 The Chair of the Board, Committee, panel or meeting should ensure the agenda contains an item 'Declaration of Interests' and prior to business commencing ask all present to "*declare any actual, potential or perceived conflicts of interest associated with any item on the agenda either now or at the relevant stage during the meeting*"

6.8 Additional Information on the identification and management of Conflicts of Interest can be found on the Northern Ireland Audit Office website at the link given below;

<https://www.niauditoffice.gov.uk/publications/conflicts-interest-good-practice>

## List of Relevant Staff

In addition to Board members the undernoted staff must complete a Declarations of Interest Form on an annual basis and update it during the year if their circumstances change. The Declarations of Interest Forms of those staff whose job title is in red will be published on the Libraries NI website.

### **SMT**

Chief Executive  
Director of Business Support  
Director of Library Services

### **CE Unit**

Head of Internal Audit  
Assistant Auditor / Auditor  
Staff seeking or receiving quotations

### **Services**

Heads of Service  
Deputy Heads of Service  
Senior Services Managers  
Service Development Managers  
Area Managers  
District Managers  
Head of Strategic Marketing and Communications  
Marketing Officer  
Services Managers  
Staff seeking or receiving quotations

### **Business Support**

Finance Manager  
Deputy Finance Manager  
Finance Admin Officer  
Procurement Officer  
Payroll Manager  
HR Manager  
Deputy HR Manager  
Assistant HR Manager  
Health and Wellbeing Officer  
Staff and Corporate Development Officer  
Assets Manager  
Assistant Assets Manager  
Capital Projects Manager  
Fleet Transport Manager  
Head of ICT/ ICU & IT  
Service/Project Managers  
Staff seeking or receiving quotations

Completed Declarations must be held by the Officer's Line Manager.

Note: This list is not exhaustive and managers may seek declarations of interest from additional staff members as required should the nature of their roles or responsibilities place them in situations where it would be prudent to do so.

**Register of Interests: Declaration by Staff  
Period: 1 April 20xx – 31 March 20xx**

<b>Name:</b>	
<b>Post Held:</b>	

Staff must discharge their duties in a manner that is honest, fair and unbiased and ensure that decision-making is open and transparent and is seen to be so. Actual, potential or perceived conflicts of interest must be identified and managed in a way that safeguards the integrity of the individual and maximises public confidence in Libraries NI.

Relevant staff must record any interest, financial or otherwise, that could be perceived by a fair-minded outside observer, acting reasonably, to create a real possibility of bias.

The Register of Interests of key staff will be published on the Libraries NI website. Staff must update the Register at least annually and in the intervening period if their circumstances change.

Further information is available in the Code of Conduct for Staff and the Conflicts of Interest Policy and associated guidance. If you are uncertain as to whether or not to declare an interest, please seek advice from a senior officer or the Head of Internal Audit.

Please complete each section of this form. Where you have no interest (either direct or indirect) to declare please record 'Nil' or 'N/A' in the box provided.

**In line with the Conflicts of Interest Policy, declared interests must include indirect interests i.e. those of a spouse or personal partner, other close relative or close personal friend or associate. (Refer to section 5 of the Guidance on Managing Conflicts of Interest for definitions)**

**Declared Interests**

<b>Directorships of companies, including non-executive</b>
<b>Employment by another organisation e.g. consultancy</b>
<b>Ownership or part-ownership of a business</b>
<b>Significant shareholdings (i.e. 5% or more in a public or private company)</b>



<b>Public appointments (e.g. to a Board, either paid or unpaid)</b>
<b>Charities – trusteeships, governorships, employment with charities or voluntary organisations</b>
<b>Other Interests held by you or your close family / friends / associates</b>

**To be completed by staff member**

I confirm that I have read the Code of Conduct for Staff and the Conflicts of Interest Policy. The above declaration is complete and correct to the best of my knowledge and belief and it includes all my financial and non-financial interests as well as those of my spouse / personal partner, close relatives, close friends and associates. I understand that it is my responsibility to disclose any additional interests as they arise during the period to which this return relates.

Signed: ..... Date: .....

**To be completed by line manager**

I confirm that I have discussed any actual or potential conflict of interest identified above with this member of staff. I have agreed appropriate action with him / her to manage the situation and this action has been documented.

Signed: ..... Date: .....

**Completed forms should be retained by the Officer's Line Manager**

**Register of Interests: Declaration by Board Members Period:  
1 April 20xx – 31 March 20xx**

<b>Name:</b>	
<b>Date of Appointment to Board:</b>	
<b>Principal Occupation:</b>	

Board Members must discharge their duties in a manner that is honest, fair and unbiased and ensure that decision-making is open and transparent and is seen to be so. Actual, potential or perceived conflicts of interest must be identified and managed in a way that safeguards the integrity of the individual Board Member and maximises public confidence in Libraries NI.

Board Members must record any interest, financial or otherwise, that could be perceived by a fair-minded outside observer, acting reasonably, to create a real possibility of bias.

The Register of Interests of Board Members will be published on the Libraries NI website. Board Members must update the Register at least annually and in the intervening period if their circumstances change.

Further information is available in the Code of Conduct for Board Members and the Conflicts of Interest Policy and associated guidance. If you are uncertain as to whether or not to declare an interest, please seek advice from the Chairperson, the Chief Executive or the Head of Internal Audit.

Please complete each section of this form. Where you have no interest (either direct or indirect) to declare please record 'Nil' or 'N/A' in the box provided.

**In line with the Conflicts of Interest Policy, declared interests must include indirect interests i.e. those of a spouse or personal partner, other close relative or close personal friend or associate. (Refer to section 5 of the Guidance on Managing Conflicts of Interest for definitions)**

**Declared Interests**

<b>Directorships of companies, including non-executive roles</b>
<b>Employment by another organisation e.g. consultancy</b>
<b>Ownership or part-ownership of a business</b>

<b>Significant shareholdings (i.e. 5% or more in a public or private company)</b>
<b>Related undertakings or contracts with Libraries NI</b>
<b>Public appointments (e.g. to a Board, either paid or unpaid)</b>
<b>Elected Office</b>
<b>Charities – trusteeships, governorships, employment with charities or voluntary organisations</b>
<b>Membership of clubs or societies</b>

<b>Other Interests held by you or your close family / friends / associates</b>

**To be completed by the Board Member**

I confirm that I have read the Code of Conduct for Board Members and the Conflicts of Interest Policy. The above declaration is complete and correct to the best of my knowledge and belief and it includes all my financial and non-financial interests as well as those of my spouse / personal partner, close relatives, close friends and associates. I understand that it is my responsibility to disclose any additional interests as they arise during the period to which this return relates.

Signed: ..... Date: .....

**To be completed by Chairperson**

I confirm that I have discussed any actual or potential conflict of interest identified above with this Board Member. I have agreed appropriate action with him / her to manage the situation and this action has been documented.

Signed: ..... Date:

**Completed forms should be returned to:  
 Chief Executive's Office, Lisburn City Library, Linenhall Street, Lisburn, BT28 1FJ**