

Conflicts of Interest Policy

Introduction

1. Vested Impact Ltd (Vested Impact) aims to achieve and maintain high standards of probity in the way we conduct our business. These standards include impartiality, objectivity and integrity, and the effective stewardship of funds. Managing potential conflicts of interest is an important part of this process.
2. Effectively managing interests – and identifying potential conflicts – is essential if customers, professionals, and the public, are to maintain confidence in our work. It is therefore central to how we carry out our work.

Purpose

3. This policy supports a culture in which we are transparent about the interests of directors, board members and staff, so that the effect of interests is known, understood and managed.
4. The policy provides guidance on:
 - what interests need to be declared and when
 - how declared interests should be recorded
 - when a declared interest could represent a conflict of interest and the action that should be taken to manage this.
5. This policy should be considered alongside other Vested Impact policies, referenced in the Staff Handbook, including:
 - Anti-corruption and Bribery Policy
 - Standards of business code of conduct
 - Board and staff travel and Expense Policy.

Scope

6. This policy applies to:
 - Directors, advisory board members and Vested Impact employees
 - agency workers and contractors on temporary contracts
 - secondees (people seconded to Vested Impact from other organisations)
 - employees of the external guidance centres and the 'evidence contractors' working directly or indirectly to supply evidence that is used by the advisory committees.
7. For ease of reference, these groups are collectively referred to as 'board members and employees' throughout this policy.

Defining and categorising interests

8. Board members and employees bring a range of experiences and perspectives to Vested Impact's work. It is likely they will have a variety of interests, arising from different contexts and activities in a professional or personal capacity. This can include other sources of income, speaking engagements, shareholdings, and membership of professional or voluntary organisations.
9. Having Board members and employees with varied interests is a positive attribute, but it is vital that interests are openly declared so they can be appropriately managed. Declaring an interest does not mean there is a conflict of interest.

All interests should be declared if, in the view of a reasonable person, they are relevant, or could be perceived to be relevant, to Vested Impact's work.

10. Interests that are not, or could not be perceived to be, relevant to Vested Impact's work need not be declared. Examples of interests unrelated to Vested Impact's work could include shareholdings in companies unrelated to Vested Impact's work.
11. Board members and employees do not need to declare if they, or a family member, have a disease or condition directly relevant to their work at Vested Impact. However, given their strategic decision-making role, if a Board or Executive Team member feels this might, or might reasonably be perceived to, affect their impartiality they are encouraged to alert the Chief Executive or Chairman in confidence. In such circumstances, in discussion with the Chief Executive or Chair of Advisory Board they may choose to recuse themselves from a discussion on these grounds but would not need to provide further details.
12. It is important to exercise judgement, and if there is any doubt as to whether an interest is relevant to Vested Impact's work, it should be declared. This includes indirect interests (see definition below), such as those relating to family and close friends, when they are known. When there are no interests to declare, a 'nil return' should be made.
13. The following categories describe the types of interests relevant to Vested Impact's work. In each case, a benefit may be a gain or avoidance of a loss.

Direct interests

14. A direct interest is where there is, or could be perceived to be, an opportunity for a board member or employee to benefit. This benefit could be financial (a financial interest) or non-financial (a non-financial personal or professional interest). These are explained further below.
15. ***Financial interests:*** When a person gets direct financial benefit. This means anything of monetary value including: payments for services; equity interests, such as stocks, stock options or other ownership interests; and intellectual property rights, including patents and copyrights and royalties arising from such interests. Examples of financial interests are:
 - Work in the commercial sector, including a directorship, employment, or consultancy, that attracts regular or occasional payments or benefits in kind such as hospitality.
 - Ownership or part ownership of a financial services provider

- Shareholdings or other investments in the commercial sector (unless these are held in a managed fund where the person does not have the ability to instruct the fund manager as to the composition of the fund).
- Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the financial services and impact data sectors.
- Directorships (paid and unpaid), including non-executive positions.

The term 'commercial sector' refers to businesses and trade associations who could be affected by Vested Impact's recommendations and commercial decisions. These include financial institutions, and companies, companies currently, or seeking to be in, a commercial relationship with Vested Impact.

Membership of a pension scheme from past employment does not constitute an interest that needs to be declared.

16. ***Non-financial professional and personal interests:*** Where a person has another role relevant to Vested Impact's work from which they do not receive a financial benefit. This can include situations where the person:

- holds office or a position of authority in a professional organisation such as a Royal College, a university, charity, advocacy group or any other organisation in the sector relevant to Vested Impact
- holds a position of authority in an organisation contracting for services with Vested Impact.

Indirect interests

17. An indirect interest is where there is, or could be perceived to be, an opportunity for a third party closely associated with the board member or employee in question to benefit. This could be through a close association with another individual or organisation who could stand to benefit from the board member or employee's role at Vested Impact. This could include any of the following groups:

- close family members and relatives
- close friends and associates
- business partners.

Declaring interests

18. A declaration of interests should be made:
- before taking up a role at Vested Impact (this should include all current interests and those which occurred in the preceding 12 months)
 - when circumstances change and new interests arise
 - annually.
19. The declaration of interests form is available in appendix A.

Identifying and responding to potential conflicts of interest

20. The response to a declared interest depends on the individual's role and the extent there is a risk of a conflict of interest.

There is a **conflict of interest** when a reasonable person would consider that an individual's ability to apply judgement or act in the work of Vested Impact is, or could be perceived to be, impaired or influenced by one of their interests.

21. Declared interests will be reviewed by the Chief Executive Officer who will consider the required response. Where the interests are relevant or could be perceived to be relevant to Vested Impact's work, the declaration and the proposed response will be forwarded to the relevant director for confirmation. A written audit trail of the information considered and actions taken must be maintained.
22. If an interest is declared but there is no risk of a conflict arising then no further action is required. However, if a declared interest represents a potential conflict of interest then action must be taken to manage this risk, exercising judgment on the proportionate approach in each case.
23. For prospective employees and board members, the declared interests must be reviewed prior to formally confirming the appointment. The offer of the proposed appointment may need to be withdrawn if the conflict of interest cannot be resolved.
24. In line with the code of conduct for board members of public bodies, board members must ensure no conflict arises, or could reasonably be perceived to arise, between their role at Vested Impact and private interests, financial or otherwise.
25. Particular caution is also required around financial interests of a Board or staff member's close family member or associate that could be seen as giving rise to a conflict of interest (as defined above). This could include for example, when a close family member or associate could benefit financially from the person's work at Vested Impact. The action required will depend on the closeness of the relationship, and the extent the Board or staff member's actions could lead the person to benefit.

Advisory Board meetings

26. The Executive Team and Advisory Board make strategic decisions including entering into (or renewing) large scale contracts and approving Vested Impact's guidance, therefore conflicts of interest must be effectively identified and managed at each meeting. Members should ensure they inform the meeting chair as soon as they become aware of a potential conflict of interest in relation to a specific item of business, and ideally before the meeting in question, so the appropriate action can be agreed.
27. At each meeting a copy of all declared interests is made available. The meeting chair asks whether there are any new interests to be added or any potential conflicts of interest specific to the issues being considered at the meeting. This is to confirm, and to potentially add to, the interests that have already been identified before the meeting.
28. If a member has an actual or potential conflict of interest the meeting chair should consider the following approaches and ensure that the reason for the chosen action is documented in minutes or records:

- requiring the member to not attend the meeting and potentially excluding the member from receiving meeting papers relating to their interest
- excluding the member from all or part of the relevant discussion and decision
- noting the nature and extent of the potential conflict of interest but judging it appropriate to allow the member to remain and participate.

Data contractors

29. Data contractors are organisations in the public and private sectors which provide data assessment services and methodological support to Vested Impact. Data contractors must declare any interest which may represent a conflict of interest with their work for Vested Impact at the time each project is referred to them. The Chief Executive Officer will be responsible for deciding whether any interest represents a conflict and the impact it may have on the ability of the contractor to fulfil the contract.

Records and publication

30. All declared interests that are relevant or could be perceived to be relevant to Vested Impact's work will be entered onto the register of interests.
31. The register of current interests for board members and the following senior employees will be published on the Vested Impact share drive:
- directors
 - advisory board members
32. For all those covered by the policy Vested Impact will retain a record of previously declared interests for 2 years.

Dealing with breaches

33. There will be situations when interests will not be identified, declared or managed appropriately and effectively. This may happen innocently, accidentally, or because of deliberate actions. For the purposes of this policy these situations are referred to as 'breaches'.

Identifying and reporting breaches

34. To ensure that interests are effectively managed, staff, those participating in our committees, and stakeholders are encouraged to speak up about actual or suspected breaches.
35. Anyone who is aware of actual breaches of this policy, or who is concerned that there has been, or may be, a breach, should report these concerns to the Chief Executive Officer, or follow the procedures of the Whistleblower Policy.
36. Vested Impact investigates each reported breach according to its specific facts, and gives relevant parties the opportunity to explain and clarify the circumstances, using the process in Vested Impact's disciplinary policy, where appropriate.
37. Following investigation Vested Impact:

- decides if there has been, or is potential for, an actual breach and if so, the materiality of the breach
 - assesses whether further action is required, including potential disciplinary action if there has been a deliberate breach.
 - considers who should be made aware of the breach
 - reviews and clarifies the policy, if necessary.
38. A deliberate failure to disclose an interest could in the most serious cases be treated as misconduct and result in referral to a relevant professional body.
39. Vested Impact recognises that investigating actual or suspected breaches could potentially be a stressful and upsetting experience for all parties involved. Everyone involved in the process is entitled to be treated calmly, professionally and with respect. Vested Impact will not tolerate abusive or insulting behaviour, nor any attempt to bully someone into not raising a concern. Any such behaviour, if upheld following investigation, could result in disciplinary action. Anyone who feels they are being bullied, or subjected to harassment, because of raising a concern should raise it under Vested Impact's Bullying and Harassment Policy, contained within the Staff Handbook.

Review

40. This policy will be reviewed every 3 years unless an earlier review is required.

Relevant legislation, guidance and Vested Impact policies

41. Vested Impact policies and guidance relevant to this policy:
- Vested Impact Standards of business code of conduct
 - Vested Impact Anti-corruption and Bribery Policy
 - Board and staff travel and subsistence Expenses Policy

Appendix A: Declarations of interest form (board member & employee)

Name:

Role:

Date appointed:

Description of Interest	Are the company's products currently or likely to be subject to review by Vested Impact? (yes/no/na)	Remunerated (yes/no/na) In the case of shareholdings please indicate whether these have been placed in a blind trust and if so, date	Date Interest arose	Date Interest ceased

The information you provide on this form will be used to assess if you have any potential conflicts of interest, we ask for this information to comply with our organisational policies.

Information may be disclosed to third parties in accordance with the Freedom of Information Act 2000 and will be published in registers that Vested Impact holds.

For more information about how we process your personal data, please see our Data Protection and Privacy Policy .

I confirm that the information provided above is complete and correct. I acknowledge that any changes in these declarations during the course of my work with Vested Impact, must be notified to Vested Impact as soon as is practicable and no later than 28 days after the interest arises. I am aware that if I do not make full, accurate and timely declarations this may result in potential disciplinary action if there has been a deliberate breach of the policy.

I do / do not [delete as applicable] give my consent for this information to be published on the registers that Vested Impact holds. If consent is NOT given, please give reasons below: (please note this will be agreed in exceptional cases only).

Reason for non-disclosure

Signed (employee): _____ **Date:** _____

Line manager / Associate Director's comments:

Are there any actions required? Yes / No [delete as appropriate] If so, state below:

1. _____
2. _____
3. _____

Name: _____ **Date:** _____

Director's comments:

Name: _____ **Date:** _____

Please return this form to the Chief Executive Officer
