

## **Regulatory Policy Committee - Conflicts of Interest Policy**

### **1. Introduction**

- 1.1. The Regulatory Policy Committee (RPC) seeks to maintain the highest standards of integrity in delivering its role. This document sets out the policy adopted for managing conflicts of interest that may arise in respect of RPC members.
- 1.2. As public office holders, committee members are expected to act in accordance with [The Seven Principles of Public Life](#) (often referred to as the “Nolan principles”), which outline the ethical standards to which those working in the public sector are expected to adhere. These principles underpin the conduct expected of RPC members, including that they should seek to avoid perceived, potential or actual conflicts of interest arising in relation to their RPC role.
- 1.3. We manage any such conflicts of interest to ensure the reputation and integrity of the RPC. This includes, in particular, avoiding any committee member involvement in scrutinising an impact assessment or any other document on which the RPC issues an opinion or statement, or being involved in any discussion of a regulatory proposal where there is any perceived, potential, or actual conflict of interest that might benefit a committee member or a person connected with a member, or compromise the integrity of the RPC or its decisions.
- 1.4. This policy sets out our approach to managing such conflict of interests.

### **2. Conflict of interest**

- 2.1. A conflict of interest is considered to be any interest, connection, association or other set of circumstances that: (a) is (or might appear to be) likely to impair or influence a committee member’s judgment in engaging in committee business; or (b) might impede a committee member’s ability to carry out their RPC role; or (c) might result (or could result) in a committee member’s (or a member of their family) or a related third party receiving a personal benefit or being perceived to be using their position within the RPC to gain an unfair advantage.
- 2.2. Conflicts of interest may arise as a result of many different circumstances, including but not limited to: (a) direct or indirect financial interests; (b) non-financial or personal interests; (c) acceptance of gifts or hospitality; or (d) conflicts of loyalty where a decision maker may have competing loyalties between a person or an organisation to which they owe a primary duty, and another person or organisation. For example, conflicts of interest can include enhancement of an individual’s financial or other

opportunities, career, education, or professional reputation, or access to privileged information, facilities, or other benefits.

- 2.3. The RPC acknowledges that conflicts of interest are sometimes unavoidable but need not necessarily exclude a committee member from participating in a discussion. Committee members are appointed for the skills and experience that they bring to the RPC and it is important to strike a balance between avoiding conflicts of interest while still allowing them to contribute in areas where their experience is valuable and appropriate.
- 2.4. Judgment is, therefore, required in considering whether committee members should recuse themselves, or be excluded, from a particular piece of RPC business. We operate a policy of transparency, to which the principles of openness and integrity apply. Committee members are required to disclose any perceived, potential, or actual conflicts of interest when they arise or, if identified after such conflict of interest has arisen, promptly after they become aware of a conflict of interest.
- 2.5. Actions taken to manage any perceived, potential, or actual conflicts of interest that arise may take various forms. For example, committee members may recuse themselves from discussions on matters, or from contributing to RPC opinions or other statements relating to issues, on which they are conflicted.
- 2.6. A conflict (potential, perceived or actual) could be significant enough that an individual's role on the committee becomes untenable and that they should, therefore, resign from the RPC.

### **3. Identifying conflicts of interests**

- 3.1. On appointment, committee members are required to declare any interests they have which do, or might, give rise to a conflict of interest in relation to any area of the RPC's work. Committee members are provided with guidance on identifying and managing conflicts of interest, based on Cabinet Office guidelines.
- 3.2. The RPC secretariat maintains a register of interests (ROI) setting out the interests declared by each committee member. The ROI is circulated to committee members ahead of each formal committee meeting (currently every two months) and a standing item on the agenda prompts committee members to review their interests and to report any that are new, or changed. The RPC secretariat updates the ROI immediately on notification of any changes and, as appropriate, following each committee meeting. Any updated ROI is published on the RPC website within a fortnight after each committee meeting.

- 3.3. It is the responsibility of committee members to report, in writing, to the RPC secretariat any changes to their interests promptly after the change occurs or after the committee member becomes aware of a perceived, potential, or actual conflict of interest (for example, a new interest arises, the circumstances relating to a previously-declared interest change or a previously-declared interest ceases to exist).
- 3.4. The information in relation to the ROI and any conflicts of interest is processed in accordance with data protection principles as set out in the Data Protection Act 2018. Data is processed only to ensure that committee members act in accordance with their obligations to the RPC and in its best interests. The information provided is not used for any other purpose.
- 3.5. Where a conflict of interest arises as a result of a committee member's relationship with a third party, the RPC considers it to be 'time-expired' 12 months after the end of the committee member's last relevant relationship, interaction, or other connection with the third party concerned. 'Time expiry' of a conflict of interest may be sooner if, at the request of the individual concerned, the Chair has determined that the conflict has ceased to exist. For the avoidance of doubt, members may choose to keep an interest on record for a period longer than 12 months after the relationship, connection or interactions ends.

#### **4. Managing conflicts of interests in RPC meetings**

- 4.1. Should a perceived, potential, or actual conflict of interest be identified during a committee meeting in relation to a matter to be considered in that meeting, the relevant committee member shall not participate in any decision regarding that matter. The Chair (or, if the Chair is conflicted, another committee member) and head of secretariat will determine whether or not the committee member should participate in the related discussion.
- 4.2. The committee member may be asked to recuse themselves for the part of the meeting where the committee discusses, or makes a decision on, that particular matter.
- 4.3. However, with the consent of the individual concerned, if the Chair concludes that the committee member's expertise will be beneficial to the discussion, and that the conflict of interest will not: (a) result in a benefit or advantage to the committee member (or a family member or a third party with which they have a relationship); and (b) be to the detriment of the RPC, the Chair may permit the committee member to participate in the discussions. The Chair's decision in the matter is final.

- 4.4. The minutes of the meeting will set out clearly a brief description of the perceived, potential, or actual conflict of interest identified and the Chair's decision regarding management of that conflict.

## **5. Managing conflicts of interests in RPC casework**

- 5.1. When the RPC receives an impact assessment and/or other document with a request for RPC review, a "case" on that matter is opened. The member of the RPC secretariat responsible for registering the case checks the subject matter of the case against the ROI to identify any potential conflicts of interests that committee members may have in relation to that case.
- 5.2. Members of the RPC secretariat responsible for managing individual cases also consider any perceived, potential, or actual conflicts of interest that individual committee members may have, and inform the RPC secretariat staff member responsible for registering cases, if any conflict of interest is identified or subsequently comes to their attention.
- 5.3. In either situation, the RPC secretariat will note the conflict of interest, with a brief description, on the casework recording system and inform the head of secretariat, and the Chair if necessary, in writing of the conflict.
- 5.4. The head of secretariat will discuss the perceived, potential, or actual conflict of interest with the committee member in question to consider the extent to which the conflict of interest should result in the committee member being excluded from working on a case. For example, such exclusion may prevent the committee member from: (a) serving as the lead committee member for a case; (b) participating in the committee review of a case; or (c) any involvement with a case. The RPC secretariat shall, under the direction of the head of secretariat, take appropriate steps to manage that conflict of interest.
- 5.5. Should the conflicted committee member disagree with the decision of the head of secretariat, they may appeal to the Chair in writing. The decision of the Chair on any appeal is final. Where the conflict involves the Chair, the head of secretariat will discuss the matter with another committee member, or members, and agree an appropriate approach.
- 5.6. When an opinion or other document is circulated for full committee review prior to being issued, the conflicted committee member shall be excluded from the circulation and any subsequent discussion, unless otherwise determined by the Chair.

- 5.7. Should the conflicted committee member be permitted to participate in consideration of the case, the Chair and head of secretariat will manage and monitor any conflicts of interest identified to ensure the integrity of the RPC, the case, and any decision taken in relation to it.
- 5.8. If, at any point in the work of the RPC, a member considers a conflict of interest to exist, which has not been identified or declared previously, this should be declared and recorded. Having discussed the matter with the head of secretariat, an appropriate approach to managing the conflict will be agreed, in line with that set out in paragraph 5.4 above.
- 5.9. Where a committee member is conflicted and is recused from discussion, or the whole process of consideration, of a particular matter, the following statement will be set out clearly at the end of any RPC document related to it (including any RPC opinion or public statement):

***[One] committee member[s] did not participate in the scrutiny of this matter to avoid a conflict of interest.***

- 5.10. This exclusion continues to apply to the internal circulation of any relevant RPC document, and remains applicable until it is published and so enters the public domain.
- 5.11. Where the Chair agrees that a committee member may, because of their expertise, work on a case or otherwise be involved in consideration of a matter where a conflict of interest has been identified, the RPC will manage (possibly by withholding some papers or restricting involvement) the process to ensure impartiality and the highest level of integrity of the RPC and the committee member.
- 5.12. In such instances, the situation will be recorded and shared with the committee, and the following statement will be added to the end of any relevant RPC document:

***[One] committee member[s] participated in the scrutiny of this matter although a conflict of interest was identified in relation to the committee member's participation. [STATE CONFLICT AND DESCRIBE MEASURES IMPEMENTED TO MANAGE IT].***

## **6. Responsible person and annual review of policy**

The responsible person in relation to this policy is the head of secretariat, who shall ensure that the policy is reviewed and updated as appropriate no less frequently than annually. The RPC shall review the policy (updated as appropriate), and approve any revision of it at an RPC meeting.

## **7. Record keeping and governance**

The RPC secretariat will maintain a record of all conflicts of interest identified, which shall include the name of the relevant committee member, the nature of the conflict, measures taken to manage it and the names of the persons involved in any decisions taken in respect thereof.

## **8. Prevention, detection, and response to breach of conflicts of interest**

- 8.1. It is the responsibility of each committee member to report to the head of secretariat, any conflicts of interest of their own or where they become aware that another committee member has a perceived, potential, or actual conflict of interest. RPC secretariat staff members are also expected to monitor continuously any potential conflicts as part of their day-to-day management of casework. We also expect the Better Regulation Executive to inform the RPC should it become aware of any conflicts concerning committee members.
- 8.2. If any third party brings a perceived, potential, or actual conflict of interest to the attention of the RPC, it shall be reported to the Chair and head of secretariat and dealt with in the same manner as other conflicts of interest under this policy.
- 8.3. If a committee member fails to disclose a conflict of interest, or fails to act in accordance with the Chair's advice (or the advice of the head of secretariat where the Chair is conflicted) on how to manage a conflict, disciplinary action, dismissal or prosecution could result under the terms and conditions set out in the committee member's appointment letter. In such an event, the RPC may, where appropriate, reconsider any decisions taken, and/or withdraw any opinion or other statement issued by the RPC, in relation to the relevant case.

## **9. Oversight arrangement**

The Chair or head of secretariat shall be responsible for ensuring that the RPC's conflict management policy and systems are functioning effectively, and may ask for a review of the arrangements to be undertaken periodically to provide assurance of that.