

**1. Introduction**

- 1.1 This Code of Conduct and Conflicts of Interest policy forms part of HEFCW's terms and conditions of employment and part of the legal contract between the employee and HEFCW. It sets out the standards of behaviour expected of employees which follow from the position in serving HEFCW.
- 1.2 Conflicts of interests may arise from financial interests and more broadly from official dealings with, or decisions in respect of, individuals who share an employee's private interests.
- 1.3 All employees will be requested to complete the Declaration of Interest form on appointment and annually thereafter as part of the HR Audit, to record any new interests or a change to interests already declared.
- 1.4 All reported Declarations of Interest will be reported to the employee's respective Director/ Head of Team via HR, as well as to the Chief Executive via the Head of Internal Audit. The Chief Executive will also review Directors/ Head of Team declaration as their line manager. This ensures that any declarations can be put in to the context of the individual's role and minimise conflicts, for the benefit of both the individual and HEFCW.
- 1.5 This policy brings together in one place information on aspects of conduct, behaviour, conflicts of interest and financial dealings for all employees. When seeking information on a particular issue, however, it should not be considered in isolation from the full policy and procedures relating to that issue. Separate policies to which this document may link to gives employees the opportunity to conduct processes in Welsh where relevant. All HEFCW's policies and procedures can be found on the intranet pages.

**2. Accountability**

- 2.1 There are references in this policy to seeking permission to undertake activities or tasks. Permission should be obtained from the person specified in the relevant section (e.g. the Chief Executive), or where it is not specified, permission should be sought via HR in consultation with the employee's Director/ Head of team or Chief Executive as appropriate.

**3. Roles and Responsibilities**

- 3.1 Employees are responsible for:
- Reporting to HR any relevant interest in contracts, shareholdings or other securities, or outside occupations and appointments, as described in this policy and complying with any instructions they are given.
  - Applying for permission from the Chief Executive before entering into competitions for monetary reward or purchasing surplus Government property in the circumstances described in this policy.
  - Observing the restrictions on borrowing, lending, betting and gambling set out in this policy.
  - Complying with HEFCW's 'Fraud Policy Statement' in full (see intranet).
  - Adhering to the HEFCW Values and Behaviours as described in 4.1.

### 3.2 Chief Executive is responsible for:

- Reviewing the annual report on all interests declared issued by HR.
- Reviewing Directors and Heads of Team declarations.
- Where there are conflicts, report them to HR and further action will be discussed.

### 3.3 Heads of Teams are responsible for:

- Ensuring that they and their teams observe the restrictions on borrowing, lending, betting and gambling set out in this policy.
- Considering applications for permission and notifications of potential conflict of interest, in consultation with HR and the Chief Executive as appropriate; and ensuring that appropriate written records are kept and filed with HR.
- Review the declarations issued to them by HR to ensure that there are no potential conflicts arising from the employee's declaration and their role within HEFCW. The Chief Executive will also review Directors and Heads of Team declarations as their line manager.
- Where there are conflicts, report them to HR and further action will be discussed.

### 3.4 HR is responsible for:

- Advising employees, line managers and Heads of Teams on the application of this policy, and ensuring that appropriate records are retained.
- Providing the Head of Internal Audit and the Chief Executive with an annual report on all interests declared for review.
- Providing the Directors and Heads of Teams with their team members' declarations for review.

## 4. Principles

4.1 HEFCW employees are appointed on merit on the basis of fair and open competition and are expected to carry out their role with dedication and a commitment to HEFCW and its values:

### **Acting with integrity**

- Be consistent
- Be truthful
- Be open
- Communicate frankly

### **Forward thinking**

- Scan horizon actively
- Plan tasks & assess risks effectively
- Prioritise

### **Professionalism**

- Apply knowledge & experience
- Know/address your audience
- Take responsibility for own area
- Exercise due discretion

- Seek continuous improvement

### **Partnership working**

- Identify partners (internal, external)
- Be clear about outcomes sought
- Develop effective working relations

### **Valuing & supporting each other**

- Respect others' views
- Value each other's skills/contributions
- Give & receive effective feedback
- Respond to others' priorities
- Provide help (formal/informal)

## **5. Breach of this policy**

- 5.1 If an employee breaches any of the rules in this policy, or if negligence on their part causes a colleague to breach these rules, the employee may be subject to disciplinary action as laid out in the disciplinary policy.

## **6. Propriety - Arrest or conviction on civil or criminal charges**

- 6.1 An employee must, as soon as possible, inform their line manager if they are arrested, cautioned, refused bail or convicted of any criminal offence. Failure to inform will be considered an act of gross misconduct. This does not apply to traffic offences unless the possible penalty includes imprisonment or disqualification from driving. The employee must, however, notify their line manager of all accidents or incidents involving a hire car. When an employee informs their line manager, they should seek guidance from HR.

## **7. Unlawful activity**

- 7.1 Employees have a duty to comply with the law, including international law and treaty obligations and to uphold the administration of justice and to report any evidence of unlawful and criminal activity. HEFCW's Whistleblowing Policy provides guidance on the reporting arrangements.

## **8. Bankruptcy and insolvency**

- 8.1 If an employee is bankrupt or declared bankrupt by a court of law they must report this fact as soon as practicable to their line manager and HR. Failure to disclose bankruptcy and insolvency will be considered an act of gross misconduct.

## **9. Links with funded or regulated bodies**

- 9.1 Where an employee has an immediate or close family member working or studying in a university or another HEFCW funded or regulated body, to ensure transparency, the employee is required to declare this. The CEO and the Directors/Heads of team will review such declarations annually to ensure that no conflicts of interest exist.

## **10. Acceptance of gifts, hospitality, awards and fees.**

- 10.1. Please refer to Gifts, Hospitality, Awards and Fees Policy for Staff for further information.
- 10.2. It is a disciplinary offence for employees in their official capacity to accept any benefit for themselves or a member of their family as an inducement or reward for:
  - a doing or refraining from doing anything
  - b showing favour or disfavour to any individual or organisation
- 10.3. Even where not corrupt, acceptance of benefits can still be in breach of discipline. Employees, or a member of their family, must not receive gifts, hospitality or benefits of any kind from a third party e.g. supplier, institution or individual, which might be seen to compromise the employee's judgement or integrity.
- 10.4. Any inducement, whether by way of gift, hospitality or otherwise, which could lead to a contractual position between the employee and a supplier or consultant should be refused.
- 10.5. If an employee accepts a gift in line with the Gifts, Hospitality, Awards and Fees Policy for Staff, or gifted through other HEFCW approved means, they must not subsequently sell it, make any money or have any gain (e.g. trade for another item) from the item. Doing so may constitute a disciplinary offence.
- 10.6. Should the employee wish to dispose of the gifted item, this should be gifted to another colleague; to charity; or to HEFCW. In the event an employee finds themselves in such a situation, they should contact their line manager and discuss the issue with HR for guidance.

## **11. Competitions for monetary reward**

- 11.1. Entry into competitions for monetary reward which are in any way connected with the work of HEFCW and which are open to others besides public servants may present particular difficulty. Employees who contemplate entering such competitions should therefore consult HR.

## **12. Contracts for goods and services**

- 12.1. Employees must be free of all personal interests which may conflict, or appear to conflict, with the best interests of HEFCW. Those who have business or other relationships with outside organisations must carefully consider the position in which they place themselves and HEFCW. Any interests must be formally declared.
- 12.2. Unless an employee has obtained permission from the Chief Executive, they should not let HEFCW contracts to:
  - their immediate or close family, close personal friends and business associates;
  - any company or partnership for which their immediate family, close personal friends and business associates may work;

- any employee of HEFCW or their immediate family or any organisation of which an employee or a member of their immediate family is a Partner or Director.

12.3. Where permission is granted, the employee must still register the decision and formally notify the HEFCW's Senior Procurement Manager with the background information before proceeding. The Senior Procurement Manager will proceed as appropriate.

12.4. Employees must be free of all personal interests which may conflict, or appear to conflict, with the best interests of HEFCW. Those who have business or other relationships with outside organisations through this HEFCW work must carefully consider the position in which they place themselves and HEFCW. To avoid any conflict, they must not invest in or have any business interest in such organisations.

12.5. Particular care will be taken in not using business information gained at work for personal gain or that of relatives or friends. If at all in doubt, the employee should inform the Senior Procurement Manager and their line manager in writing. If an employee has any relationship with, or interest in, an outside organisation which will feature in a procurement/competition exercise then they must declare this relationship in writing to their line manager, copied to the Senior Procurement Manager, and take no part in the procurement process. If in doubt about what constitutes a relationship or interest that will need to be formally declared, employees must consult the Senior Procurement Manager.

12.6. Failure to observe these rules or failure to declare a relevant interest in a contract before it is let may result in disciplinary action and possible dismissal.

### **13. Inappropriate use of HEFCW property**

13.1. Employees must not use any property or equipment provided to enable them to carry out their duties for any purpose other than to carry out the official business of HEFCW. An employee must not use ICT or other equipment to run a business, to carry out the work of or to work on behalf of any another organisation during official time or 'outside working hours'. The Acceptable Use Policy sets out the requirements that must be adhere to when using ICT equipment. Any breach of these rules may be considered as gross misconduct, subject to an investigation of the circumstances of each case.

### **14. Sale of surplus HEFCW property**

14.1. HEFCW must not sell surplus HEFCW property to employees who have been able to obtain special knowledge about the condition of the goods because of their official duties; or have been officially associated with the disposal arrangements; or at a discount that would not be available to a member of the public. Employees are not permitted to enter such competitions without the express permission of the Chief Executive.

14.2. Likewise, employees must not sell surplus HEFCW property for financial gain, where they know the item is due to be disposed of.

### **15. Investment in shareholdings and other securities**

- 15.1. Employees may freely invest in shareholdings and other securities unless the nature of their work is such as to require constraints on this. They must not be involved in taking any decision in HEFCW which could affect the value of their private investments, or the value of those on which they give advice to others; or use information acquired in the course of their work to advance their private financial interests or those of others.
- 15.2. Employees must therefore declare to HEFCW any business interests (including directorships) or holding of shares or other securities which they or members of their immediate family hold, to the extent which they are aware of them, which they would be able to further as a result of their official position. Employees must comply with any subsequent instructions from HEFCW regarding the retention, disposal or management of such interests.

## **16. Confidentiality and official information, including Information Security**

- 16.1. Misuse of confidential information breaches the duty of confidentiality owed to HEFCW and will be considered an act of gross misconduct.
- 16.2. Whilst information obtained in the course of employment should be treated as confidential, employees should be aware that information which is processed may be released to individuals or into the wider public domain in accordance with legislation and HEFCW's policies on access to information. Employees must not make unauthorised use of confidential information either during or after their period of employment. Employees are required to treat personal information (this applies to all forms of data about an individual, including paper documents, databases and emails) confidentially and in line with the Data Protection Policy operated by HEFCW and in accordance with Data Protection legislation.
- 16.3. Employees must ensure that all IT based information is handled in accordance with the ICT Acceptable Use Policy.
- 16.4. Employees must not share publicly their level of security clearance (this includes posting it on social media even where privacy settings are in place). Failure to adhere to this rule may result in disciplinary action.

## **17. General rules**

- 17.1. No confidential official information may be disclosed by an employee without permission from the Chief Executive.
- 17.2. Information, confidential or otherwise, to which an employee has access, must not be used to frustrate the policies or decisions of HEFCW.
- 17.3. Employees must not undertake any activities that are not in keeping with the HEFCW values and which may result in bringing HEFCW into disrepute.
- 17.4. Employees should declare any close association with a member of staff where there is a line management relationship.

17.5. Employees must seek permission from the Chief Executive for any activities involving the following that are not undertaken as part of their official duty:

- participation in any media broadcast (sound or vision) regarding the business of HEFCW;
- publication or broadcasting of any personal memoirs relating to work carried out for HEFCW;
- dissemination of any information (oral or written) which is passed to any journalist or media organisation for publication relating to HEFCW;
- participation in any opinion poll or market research survey, including online polls or surveys, relating to attitudes or opinions on political matters, unless the employee does not intend to indicate in any way that they are a HEFCW employee working for HEFCW, and participation will be purely in a private capacity;
- participation in an online or written petition on a local issue that affects the employee as an individual, such as a planning enquiry or school closure unless the employee does not intend to indicate in any way that they are a HEFCW employee working for HEFCW, and participation will be in purely a private capacity;
- any arrangements regarding the publication of articles or materials which have been produced by the employee as part of their official duties, copyright of which will be owned by HEFCW pursuant to the Copyright Designs and Patents Act 1988.

## **18. Outside Occupations and Appointments**

### **18.1. Outside occupations**

18.1.1. Employees must seek permission as set out in this policy before accepting any outside employment.

18.1.2. Employees may not:

- at any time, engage in any private activity which would require attendance during office hours or in any way tend to impair usefulness as an employee of HEFCW, unless permission has been given as set out in this policy to do so;
- engage in any occupation or other activity which might in any way conflict with the interests HEFCW or be inconsistent with their position as an employee of HEFCW;
- engage in any outside activity that uses experience or knowledge acquired during the course of official duties or involving payment from a Government Department, without first obtaining consent as set out in this policy;
- hold a directorship or undertake executive work in a private company, firm or other organisation or engage in consulting work which has a connection with your official duties or is on behalf of a firm or concern which is in contractual or other special relationship with HEFCW, without first obtaining consent as set out in this policy.

18.1.3. If an employee has any doubt about the propriety of any personal private activity, they should consult HR.

## **18.2. Appointments**

18.2.1. If an employee wishes to accept an appointment to any public board or body financed wholly or in part from public funds or before agreeing to be considered for service as a Justice of the Peace, they must seek consent through HR, who may be required to refer this to the employee's Director/ Head of Team or Chief Executive.

## **18.3. Acceptance of outside appointments**

18.3.1. It is considered to be beneficial for all concerned that the skills and experience of those working for HEFCW are able to transfer to the wider community, provided there is no suspicion of impropriety. As a result, most applications submitted under these rules are approved without condition.

18.3.2. The aim of these rules is to maintain public trust in employees of HEFCW and in particular:

- to avoid any suspicion, no matter how unjustified, that the advice and decisions of employees might be influenced by the hope of future employment with a particular organisation;
- to avoid the risk that a particular organisation might gain an improper advantage over competitors by employing an individual who, in the course of their employment with HEFCW has had access to technical or other information which those competitors might legitimately regard as their own or to information relating to proposed developments in HEFCW's policy which may affect the organisation or its competitors.

## **19. Political influence and participation in political activities**

19.1 Employees must not use their position and proximity to Ministers and external public bodies to gain support or influence for their own personal benefit. This does not preclude an employee from approaching their Assembly Member through the normal channels of correspondence and surgeries on a personal non-work related matter.

## **20. Impartiality**

20.1. For employees to serve HEFCW, all Ministers and administrations, it is essential that HEFCW and the public have confidence that personal views do not affect the discharge of official duties. The aims of the rules set out in this policy, are to allow employees the greatest possible freedom to participate in public affairs without infringing this fundamental principle.

20.2. The following rules apply to employees at all times:-

- employees cannot take part in any political activity whilst on duty or on HEFCW premises;

- employees must not attend outside conferences or functions convened by or under the auspices of a party political organisation in an official capacity;
- care must be taken to avoid any embarrassment to HEFCW by the employee bringing themselves prominently to public notice in party political controversy as an employee of HEFCW;
- employees must ensure that personal political views are expressed with moderation so as not to inhibit or appear to inhibit loyal and effective service to members of another party.

## **21. Restrictions**

21.1. Employees may not take part in political activities relating to policies and operations of HEFCW, although an employee may seek permission as set out in this policy to take part in other political activities. In considering such requests, the degree of contact with Ministers in the discharge of official duties or whether the employee works in a 'sensitive' area will feature heavily.

21.2. Employees should note that participation in political activities may require them to resign from the employment of HEFCW in order for to pursue these activities.

21.3. For the purpose of these rules, 'political activities' are defined as follows:

21.4. At national level within Wales

- announcement of candidature for membership of the National Assembly for Wales;
- holding office (other than membership) in a party political organisation, impinging wholly or mainly on party politics in a field relating to HEFCW or the National Assembly for Wales;
- canvassing on behalf of a candidate for the National Assembly for Wales;
- contributing to articles for publication, books or submitting letters to the press relating to debates on controversial political issues within HEFCW or the National Assembly for Wales;
- speaking in public on matters of national political controversy.

21.5. At a national level in the rest of the UK

- announcement of candidature for the House of Commons, the Scottish Parliament, the Northern Ireland Assembly or the European Parliament;
- holding office (other than membership) in a party political organisation, impinging wholly or mainly on party politics in a field of the House of Commons, the Scottish Parliament, the Northern Ireland Assembly or the European Parliament;

- canvassing on behalf of a candidate for the House of Commons, the Scottish Parliament, the Northern Ireland Assembly or the European Parliament;
- contributing to articles for publication, books or submitting letters to the press relating to debates on controversial political issues;
- speaking in public on matters of national political controversy.

#### 21.6. At local level

- candidature for local authorities;
- holding office (other than membership) in a party political organisation, impinging wholly or mainly on party politics;
- canvassing on behalf of candidates for election to local authorities or a local political organisation;
- contributing to articles for publication, books or submitting letters to the press relating to debates on controversial local political issues;
- speaking in public on matters of local political controversy.

## 22. Borrowing and lending money

22.1. An employee may not conduct or represent a money lending business or lend money to another employee at interest. The borrowing or lending of money by employees among themselves is to be avoided. The borrowing of money from a subordinate employee is regarded as a serious offence except where, say, a small sum for a beverage is involved and is repaid without delay.

22.2. The borrowing of or attempt to borrow money from a member of the public with whom an employee is brought into contact during the course of their official duties is strictly prohibited and will render the employee concerned liable to disciplinary action.

## 23. Betting and gambling

23.1. Betting and gambling on HEFCW premises is forbidden. Such activities could result in disciplinary action.

## 24. Other rules

24.1. Employees must not bring HEFCW into disrepute by publicly making derogatory, adverse or objectionable comments regarding individuals (whether officials, Ministers or others) or any part of the organisation. Employees should not criticise or undermine HEFCW's policies or position or participate in any activities which conflict with the interests of HEFCW. Employees should not make public any information relating to their employment in order to further a personal grievance case or issue that has been raised unless to do so would fall within the scope of procedures under the Public Interest Disclosure Act as indicated in HEFCW's Whistleblowing Policy. Such activities could result in disciplinary action.

## 25. Procedures

25.1. The procedures for implementing the Code of Conduct will vary depending on circumstances. In all circumstances, employees should consult HR if there is any doubt as to the applicability or relevance of this policy.

Version	Date	Description
0.1	July 09	New policy
0.2	Oct 09	Presented to Management Board
0.3	Nov 09	Financial Dealings and Conflicts of Interest policy merged with Code of Conduct
0.4	Dec 09	Re issued to MB, minor amendments made, approved
0.5	Feb 10	Works Council endorsement
2.0	March 10	HR Committee approval
3.0	Jan 12	Reviewed prior to issue for HR Audit, no changes required
4.0	Jan 13	Amendments to reflect the reporting of Declarations of Interest to Heads of Teams and reviewed prior to use for HR Audit.
5.0	Feb 13	Works Council endorsed
6.0	March 14	Reviewed prior to issue for HR Audit, minor changes made to reflect job title changes
7.0	April 15	Checked, no amendments
7.1	April 17	Amended to include values and behaviours, and in line with policy review project
7.2	Oct 18	Policy checked and minor amendments made.
7.3	Dec 18	Management Team agreed, with minor amendment
7.4	Jan 19	Works Council approved
7.5	Oct 19	HR Committee approved

## Declaration of Interest Form

Please ensure that the Code of Conduct and Conflict of Interest policy has been fully read before completing this form. Failure to declare interests may result in disciplinary action.

The following guidelines explain the areas of interest that will need to be recorded which may be deemed to be relevant to the business conducted by the HEFCW, whether in the form of employment, membership, interest or connection.

- paid employment other than HEFCW;
- voluntary appointments to the following types of organisations: public bodies, local government, national government, statutory bodies, charities;
- directorships of either private companies or public bodies;
- equity interests of over 10% in a company held by an individual.
- relevant interests held by a close family member or partner;
- directly in receipt of funding from HEFCW;
- any other interests that may be relevant to the business of the HEFCW.

If you believe that any interest you have falls into one or more of the above categories, it must be recorded below, and statement A signed.

If you do not consider that you have a conflict of interest to register, please sign statement B.

Please note: declarations of interest disclosed in Statement A below are reviewed by your Director/ Head of Team and the Chief Executive.

Name		Department	
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### Statement A

I wish to declare the following interests:			
Signed		Date	

### Statement B

I do not have any relevant interests			
Signed		Date	

### Declaration

I declare that the details submitted by me are correct, and I undertake to inform the Chief Executive, my Director/ Head of Team and HR of any change in circumstance which would require amendment to this form.