



Conflict of Interest Policy Local Skills Improvement Plan Participants October 2023

Why is a policy necessary?

This policy relates to FSB's grant funded activities ("the Grant Activities") with the Department for Education ("DfE") for the Local Skills Improvements Plan ("LSIPs") for the areas listed below. FSB has been appointed Designated Employer Representative Body ("ERB"), pursuant to the agreement between FSB and the DfE on 26 August 2022.

- Derbyshire and Nottinghamshire
- Greater Lincolnshire; and
- Cornwall and the Isles of Scilly

This policy applies to representatives of the employer representative bodies of the Steering Group and any other relevant external stakeholders on the Steering Group (e.g. such as training providers and local authority representatives) and any other relevant external stakeholders involved in any capacity and engaged in any activity with the Grant Activities ("the participants").

This policy covers any conflict of interest, any risk of a conflict of interest (i.e. a potential conflict) and any perceived conflict arising through FSB or the participants engaging in any activity or obtaining any interest that is likely to conflict with or restrict FSB in performing the Grant Activities fairly and independently.

All participants have a duty to avoid situations where there may be a conflict of interest.

Accompanying policies:

For FSB staff, this policy must be read in conjunction with the staff terms and conditions of employment and the staff conflict of interest policy available on myfsb.

For volunteer office holders, this policy must be read in conjunction with the volunteer conflict of interest policy in the FSB Volunteer Handbook.

What are conflicts of interest?

A conflict of interest may arise where an individual's personal or family interest and/or loyalties conflict with those relating to the Grant Activities.

Conflicts may create problems that:

- Undermine the impartiality of the data and any recommendations relating to the Grant Activities.
- Result in decisions or actions that are not in the interest of the Grant Activities.
- Inhibit free discussion.
- Give the impression that the participants or FSB have acted improperly.

Failure to disclose conflicts has the potential to lead to the Secretary of State removing the above designation of ERB from FSB.

The aim of this policy is to ensure there is no impropriety and to protect FSB, the DfE and the participants involved from any appearance of impropriety. Not all interests will present a conflict but if there is any possibility that they might, they should be declared to ensure that an assessment can be undertaken. This transparent approach protects both the participants and FSB and represents good governance.

In more detail:

A conflict of interest means a situation or involvement (personal, financial or otherwise) in which your personal interests or responsibilities to another body (or those of a person connected to you) may, or may appear to:

- conflict with or restrict FSB in performing the Grant Activities fairly and independently
- conflict with your involvement with the Grant Activities
- impair or influence the exercise of your independent judgment or your objectivity in carrying out the Grant Activities.

They relate to actual, potential or perceived conflicts.

You are required to declare any personal or financial interest in any matter concerning the Grant Activities. Please provide information about yourself and any connected person.

A connected person includes:

- a member of your family - this includes a spouse; partner, or person with whom you live as a partner; child or stepchild; parent; or other close relative
- a company in which you and connected persons own or control voting interest of 20% or more
- a partnership or professional firm in which you or a person connected to you is a partner.

How do I declare interests?

- Annual declaration via the enclosed form: There is a declaration of interest form appended to this policy for your completion.
- Continuing obligation: To be effective, the declaration of interests needs to be updated at least annually **and** when any changes occur.
- Meetings: In addition to the above, before each meeting attended by the participants, including the Steering Group meetings, the participants must declare any conflicts of interest relating to the agenda items.

How do I disclose conflicts that arise during the year?

Conflicts should be disclosed to the Project Executive (karen.durcan@fsb.org.uk) and Project Lead (lee.osborne@fsb.org.uk) and the Director of Corporate Governance (Danya Young at fsb.governance@fsb.org.uk)

If you are not sure what to declare or whether/when your declaration needs to be updated, please err on the side of caution. If you would like to discuss this issue, please contact the Director of Corporate Governance fsb.governance@fsb.org.uk for confidential guidance.

What are some examples of potential conflicts of interest?

Examples of what could constitute an 'interest' to be declared by a participant are provided below. Please note the list of examples is not exhaustive:

- Details of any election to Public Office e.g. Parliamentary, Local Council etc.
- A family member being employed by the DfE.
- A close relative being a member of an employer representative body on the Steering Group.
- Significant transactions with suppliers/partners of the DfE.
- Any gifts or hospitality offered and received in connection with the Grant Activities.

Where will the Register of Interests be stored?

FSB's Governance department will store register of interests securely and it is responsible for maintaining the register. The register shall be accessible by the Director of Corporate Governance and Governance Officer for the purposes of maintaining it and advising on risks of any conflicts.

Pursuant to FSB's contract with the DfE, the conflict of interest policy and the register of interests will be published on the FSB LSIP website (<https://www.fsb.org.uk/local-skills-improvement-plans.html>) to enable FSB's openness and transparency about any conflict of interests and to ensure they are handled appropriately.

What will happen if I face a conflict of interest?

If you believe you have a real or perceived conflict of interest, you should:

- Declare the interest at the earliest opportunity.
- Withdraw from discussions and decisions relating to the conflict.

If you are at a meeting at which you are conflicted, you would not count in the quorum nor be permitted to discuss nor vote on the subject matter. You would be asked to withdraw from the discussion and decision-making relating to the item.

If you fail to declare an interest that is known, the meeting chair or secretary will be required to declare that interest.

All decisions under a conflict of interest will be recorded by the meeting secretary in the minutes of the meeting which will cover:

- The nature and extent of the conflict.
- An outline of the discussion.
- The actions taken to manage the conflict e.g. the participant withdrew from meeting.

Where a conflict of interest is fundamental and cannot be managed, advice will be sought and the Project Executive will notify you of the outcome.

For any questions on this policy please contact fsb.governance@fsb.org.uk