

Managing Conflicts of Interest

Date	Update / Change Made
March 2021	Additional guidance on accepting appointments

Managing conflicts of interest policy

1. Introduction

The Members and staff of the Committee on Climate Change (CCC) collaborate and work closely with a wide range of organisations and stakeholders. This is necessary to ensure the CCC has access to the expertise needed to effectively deliver the organisation's statutory duties. Consequently it is expected that Members and staff will have a range of interests arising from their academic and business connections. The relationships which follow from these connections have many benefits but there is also a risk that conflicts of interest may arise. In order to manage the associated risks to an acceptable level, all Committee Members and staff are required to recognise and disclose activities that might give rise to actual or perceived conflicts of interest.

2. Objectives

- The objectives of the Managing Conflicts of Interest policy are to ensure that:
- any actual or perceived financial or non-financial conflicts of interest (arising from external activities, personal relationships or roles within the CCC) are identified and properly managed so that the activity can be carried out without risk to the integrity or the reputation of the CCC or its staff;
- governance of the CCC is conducted with close regard to the risks of financial and non-financial conflicts of interest;
- procedures are in place for conflicts of interest to be identified and managed in compliance with the relevant professional, legal, ethical and regulatory standards on conflicts of interest;
- activity is avoided in cases where a conflict of interest cannot be managed; and
- all Members and staff are aware of the importance of compliance with the Policy and that compliance with the Policy is monitored.

3. Scope

This policy applies to all Members and staff of the CCC and should be considered alongside the following CCC policies:

- Code of Practice for Committee Members
- Gifts and Hospitality Guide
- CCC Staff Handbook

4. Responsibilities

Committee Members and staff are responsible for ensuring they comply at all times with this Policy, including the obligations set out at sections 7-9. Each individual is responsible for recognising situations in which they have a conflict of interest, or might reasonably be seen by others to have a conflict, to declare that conflict to the appropriate person stated in this policy and to take such further steps as may be decided by the Committee or Chief Executive under section 8 as appropriate.

The duty to declare a possible conflict applies to the perception of the situation as much as to the existence of an actual conflict. If there is any uncertainty as to whether there is a conflict, or if an individual is uncertain about the application of this Policy or how it might affect their activities, they should in the first instance contact the Head of Corporate Services for advice or escalation within the CCC. Committee Members and staff are also responsible for ensuring their recorded interests are reviewed and updated regularly.

The Head of Corporate Services is responsible for ensuring that this Policy is implemented and maintained.

Line managers are responsible for ensuring that their staff are made aware of this Policy.

The Audit & Risk Assurance Committee is responsible for ensuring the Managing Conflicts of Interest Policy is regularly reviewed and updated in line with best practice, reviewing any reports on compliance, providing support and guidance, escalating risks and issues, and providing recommendations to both the main Committee and its Adaptation Sub-Committee.

The Committee is responsible for determining any actions relating to conflicts of interests raised by Committee Members and for reviewing decisions in respect of conflict of interest issues reported by staff.

5. Key terms

A 'conflict of interest' is:

"A set of circumstances by which a reasonable person would consider that an individual's ability to apply judgement or act, in the context of delivering the CCC's statutory duties is, or could be, impaired or influenced by another interest they hold."

A conflict of interest may be:

Actual – there is a material conflict between one or more interests; or

Potential – there is the possibility of a material conflict between one or more interests in the future.

In any event, the mere fact that a person is in paid or unpaid employment with a company, body or organisation (whether industry, academic or pressure group) that has an interest in climate change or who may be affected by the decisions of the CCC is not a 'conflict of interest', although such a fact should still be identified in the register of interests and such a person may not be able to act as a Champion under section 10. Committee Members and staff may hold interests for which they cannot see a potential conflict. However, caution is always advisable because others may see it differently and perceived conflicts of interest can be damaging. All interests should be declared where there is a risk of perceived improper conduct.

6. Interests

Interests fall into the following categories:

Financial interests:

Where an individual may get a significant direct financial benefit (this may be a financial gain, or an avoidance of a loss) from the consequences of the decisions they are involved in making.

Non-financial professional interests:

Where an individual may obtain a non-financial professional benefit from the consequences of a decision they are involved in making.

Non-financial personal interests:

Where an individual may benefit personally in ways which are not directly linked to their professional career and do not give rise to a direct financial benefit, because of decisions they are involved in making in their professional career.

Indirect interests:

Where an individual has a close association with another individual who has a financial interest, a non-financial professional interest or a non-official personal interest and could stand to benefit from a decision they are involved in making. Common sense needs to be applied to judging which relationships fall within the definition of a 'close association' but normally this would be considered to be immediate family members, close friends and business partners.

7. Identification, declaration and review of interests

Identification and declaration

All Committee Members and staff should identify and declare material interests at the earliest opportunity. If staff are in any doubt as to whether an interest is material then they should declare it, so that it can be considered. Declarations should be made:

- On appointment with the organisation
- When staff move to a new role or their responsibilities change significantly
- At the beginning of a new project, such as the commissioning of a research project
- As soon as circumstances change and new interests arise (for instance, in a meeting when interests Committee Members or staff hold are relevant to the matters in discussion.)

The register of interests for Committee Members and the Chief Executive is maintained by the Head of Corporate Services and published in the Transparency section of the CCC website at this address:

<https://www.theccc.org.uk/about/transparency/>

The register of interests for staff is maintained by the Business Manager. All amendments to the staff register of interests should be provided to the Business Manager.

After expiry, an interest will remain on the registers for a minimum of 6 months and a private record of historic registers will be retained for a minimum of 6 years.

Review of interests

Committee Members will be asked to review the register at the start of each Committee Meeting. The Head of Corporate Services is required to formally check the members' register annually and confirms this in the CCC meeting minutes. Staff will be asked to review declarations they have made and, as appropriate, update them or make a nil return in April each year. Line managers are required to review the register of interests annually for all staff members within their team and confirm that this has been done by signing the Register of Interests.

8. Management of interests – general

If an interest is declared but there is no risk of a conflict arising then no action is required. However, if a material interest is declared that is a potential conflict of interest, Committee Members and staff should be made aware of the conflict. There may be some conflicts for which additional actions may be required to manage the conflict. Examples of actions which could be applied include:

- Restricting Committee Members or staff involvement in associated discussions and excluding them from decision making
- Removing Committee Members or staff from the whole decision making process
- Removing staff responsibility for an area of work

Each case will be different and context-specific. The Committee is responsible for determining if action is required to manage conflicts of interests declared by Committee Members and for deciding the most appropriate actions to manage those conflicts of interests. The Chief Executive is responsible for agreeing if action is required to manage interests declared by the Secretariat and the most appropriate actions required. Staff should maintain a written audit trail of information considered and actions taken. The Head of Corporate Services will retain an audit trail of information considered and actions taken for managing conflicts for Committee Members.

9. Management of interests – common situations

This section sets out the principles and rules to be adopted by Committee Members and staff in common conflict of interest situations and the information which should be declared.

Commissioning of research projects

The procurement of research projects should be managed in an open and transparent manner which is compliant with the CCC's procurement policies. Staff members involved in commissioning research projects should keep records that provide a clear audit trail of how conflicts of interest have been identified and managed for each project.

Staff should review their interests at the scoping stage of the project to assess if there are material conflicts of interest which would be difficult to manage effectively. Staff should not be involved in evaluating any bids received from organisations with which they have an interest, be it financial or non-financial. It is important that steps are taken to identify and manage conflicts of interest at each stage of the process as potential conflicts may only become apparent as the procurement process progresses.

Companies in which Committee Members have a material direct financial interest will not be able to participate in tenders for work issued either by the Committee on Climate Change or the Adaptation Sub-Committee. This restriction will continue to be applied for a 6 month period following the completion of a Committee Member's term or resignation.

Public speaking and attendance at external meetings

If Committee Members receive an invitation to attend or speak at a conference, stakeholder event or meeting, on behalf of the CCC and to formally represent the

views of the CCC at that event, they must inform the Secretariat who will maintain a list of events and meetings attended.

Staff should agree all invitations to attend or speak at conferences and stakeholder events with their line managers.

In the scenario that a Committee Member attends an external meeting, not in their capacity as a Committee Member, which is also attended by a CCC staff member this should be made clear to all those attending the meeting. The CCC staff member attending the meeting should ensure that a record of the meeting is kept.

Committee Champion role

Committee Members are encouraged to act as Champions in areas of specialist expertise or interest, allowing more and deeper exposure to the analysis, judgements and communication in those areas than possible in full Committee meetings.

Committee Members and the Secretariat must consider the interests of Committee Members before asking Members to act as a Champion. Where the Committee judges there to be a significant, direct interest it will not be appropriate for Members to act as a Champion or to lead discussion at focus groups on that subject area. However, the Committee Member will still be able to provide input and challenge to the development of the Committee's recommendation in line with the Members Code of Practice which sets out the process for reaching a consensus position for the Committee.

Provision of evidence and data

Committee Members and the organisations with which Committee Members have an interest are able to provide evidence and data to the CCC Secretariat. The Secretariat must ensure that where this occurs that information is sought from a range of alternative sources to ensure that a balanced view is obtained. Where it is not possible to obtain information from a range of sources it may be advisable to commission a peer review of the information to test for potential bias.

Calls for evidence should be advertised on the CCC's website to ensure interested parties have an equal opportunity to provide evidence and data.

Acceptance of new appointments

Acceptance of new appointments

While in office, Committee members should have regard to any real or perceived conflicts of interests in relation to the acceptance of other employment or appointments. If you wish to take up new employment or appointments during your term of office where real or perceived conflicts of interest may be any issue, you should first discuss details with the Chair. Any such appointments should also be disclosed for publication in the Register of Interests.

On leaving office, and when considering the acceptance of future employment or appointments, you should continue to have regard to conflict issues and should discuss with the Chair if in any doubt.

Staff must be mindful of the obligations contained within their contract of employment with the CCC regarding accepting invitations to advisory or editorial boards or additional appointments. Staff must not accept an appointment which could

conflict with their role at the CCC, whether that be in terms of capacity or a potential conflict of interest.

When accepting appointments which involve the use of information or experience gained as part of your role at the CCC you must obtain the prior permission from the Deputy Director of your team before accepting the role. You must record all appointments in your Register of Interests.

The general guidelines are:

- Do not disclose information which bears a protective security marking.
- Do not disclose matters of current or potential controversy.
- Do not disclose relations between Civil Servants, Public Servants and Ministers or the confidential advice to Ministers.

10. Dealing with breaches

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

Identifying and reporting breaches

Staff who are aware of an actual or potential breach should report the breach to the Head of Corporate Services. Breaches will be investigated according to its own specific facts and merits to determine:

- If there has been or is potential for a breach and if so what the severity of the breach is
- Assess whether future action is required
- Consider who else inside and outside the CCC should be made aware
- Take appropriate action as set out in the next section

Taking action in response to breaches

Action taken in response to breaches of this policy will be in accordance with the disciplinary procedures of the CCC and could involve the CCC's internal auditors, the GIA.

Breaches could require action in one or more of the following ways:

- Clarification or strengthening of existing policy, process and procedures
- Consideration as to whether HR action should be taken
- Consideration being given to escalation to external parties such as the CCC's Sponsor Departments



Climate Change
Committee
151 Buckingham Palace
Road, London SW1W 9SZ

www.theccc.org.uk

@theCCCuk