

## Guidance on the implementation of the Civil Service Code of Standards and Behaviour in the FSPO in relation to conflicts of interest

General guidelines in the Civil Service Code of Standards and Behaviour provide a framework governing conflict of interest. This Code has been adopted by the FSPO and accordingly all staff must abide by the provisions of the Code.

The Code is available on the [website of the Department of Public Expenditure](#). The purpose of this document is to provide guidance to staff of the FSPO in relation to complying with our obligations in relation to conflicts of interest that may arise during the course of employment with the FSPO. This guidance sets out specific circumstances that may lead to an actual or perceived conflict of interest in the context of the FSPO's role and how such conflicts are to be avoided and managed.

This Guidance should also be read in conjunction with the FSPO's Guidance on the Implementation of the Civil Service Code of Standards and Behaviour in relation to Gifts and Hospitality, as acceptance of a gift or hospitality creates a real and tangible conflict of interest. These matters are dealt with separately in Guidance on the Implementation of the Civil Service Code of Standards and Behaviour in the FSPO in relation to Gifts and Hospitality.

### What is a conflict of interest?

A conflict of interest is when an employee's personal, professional or business interests could conflict with the interests of the FSPO and/or conflict with the requirement to conduct our service in line with our values of independence, fairness and integrity.

The following is a **non-exhaustive** list of potential conflicts of interest for employees of the FSPO:

- Dealing with a complaint that you have a personal interest in.
- Dealing with a complaint brought by someone you know personally or have an acquaintance with.
- Dealing with a complaint against a provider you previously worked for or intend to work for in the future, whether as an employee, contractor or representative.
- Dealing with a complaint that concerns the conduct of an individual you know personally or have an acquaintance with.
- Dealing with a complaint where you have had conflict or difficult interactions with the complainant or the provider.
- Dealing with a complaint where you have a personal relationship or acquaintance with the individual dealing with the complaint on behalf of the provider. Note that former staff members of the FSPO, with whom you have a personal relationship or acquaintance, may take up roles with providers.
- Having an interest or a role outside the FSPO that might affect your independence, fairness or integrity.

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- Having any agreement, conflict or relationship with a financial services provider in relation to your personal finances, or those of immediate family members, that may affect your independence, fairness or integrity.
- Being a panel member for a recruitment competition where you have or had a personal relationship, acquaintance or connection with a candidate. Such situations may be managed, as outlined below.
- Being a panel member for a procurement process where you have or had a personal relationship, acquaintance or connection to a tendering party. Such situations may be managed, as outlined below.

### Avoiding conflicts of interest

A number of rules and processes are in place to assist employees in avoiding actual or perceived conflicts of interest:

1. Employees must not deal with complaints against a former employer for at least three years after they join the FSPO. A former employer includes a provider for which an employee acted as a contractor or representative.
2. Employees are required to avoid dealing with any complaints where they have, or previously had, a personal relationship or acquaintance with a complainant or an individual whose conduct is the subject of a complaint.
3. The FSPO currently complies with public sector norms and requirements in respect of annual declaration of interests. For example, Council and Senior Management prepare annual returns of interests each year which are in turn submitted to the Standards in Public Office Commission. A copy of the returns is maintained by the FSPO in a formal Register of Interests.
4. Employees on panels for recruitment or procurement processes are advised of the names of candidates and tendering firms and asked to declare any conflicts of interest. The Director of Corporate and Communication Services assesses the potential impact of the conflict and makes a decision as to the employee's further participation in the process. If the conflict is declared by a Senior staff member, the Ombudsman makes a decision as to the employee's further participation in the process.

### Managing conflicts of interest

Conflicts of interest can and do arise from time to time. The issue is not that conflicts of interest arise, but that they must be managed appropriately. Employees of the FSPO need to demonstrate that they effectively manage any conflicts of interest that arise.

To assist employees in managing conflicts of interest, the following guidance should be followed:

## 1. Identify

The first step to managing any conflict of interest is to identify it. Employees should ensure they are familiar with this guidance, as well as the FSPO's values and the Civil Service Code of Standards and Behaviour.

A key test to identify if a conflict of interest exists is to ask the question: Would a reasonable person, who was aware of the employee's personal interest, believe or perceive that the employee might be influenced by that personal interest when dealing with a complaint on behalf on the FSPO? If the answer is yes, then a conflict, or potential or perceived conflict, exists.

If an employee believes that a conflict of interest exists, or could reasonably be perceived to exist, they should report it to their line manager, who is required to report it to the Director of Corporate and Communication Services so that it is recorded. Given that employees must not deal with complaints against a former employer for a minimum of three years after they join the FSPO, employees need only to report such conflicts once. However, employees should actively consider any potential conflicts of interest that may arise after that time period, particularly given personal relationships they may have with former colleagues.

## 2. Record

The Director of Corporate and Communication Services maintains a Register of Conflicts of Interest which is a confidential record of conflicts reported by staff or their line managers. The Register records, at a high level, the nature of the conflict, how the conflict was identified, an assessment by the employee's line manager of whether steps need to be taken to manage or mitigate the potential impact of the conflict and the actual steps taken. If the staff member's circumstances change and the conflict is no longer deemed to exist, or if additional conflicts arise, the staff member's line manager should contact the Director of Corporate and Communication Services. The Director of Corporate and Communication Services will issue regular reminders in relation to this Guidance and the Register.

## 3. Manage

Once a staff member identifies a conflict of interest and declares it to their line manager, it will be determined how the conflict should be managed. Potential actions may include:

- A complaint will be assigned to another employee
- The conflict may be deemed to be manageable if the employee is given a restricted role or involvement, for example, by not attending meetings or parts of meetings in relation to the specific issue, or by undertaking a limited scope of work
- A conflict in relation to a tendering or recruitment process can be managed. In

such circumstances, the staff member may continue as a panel member, subject to an agreement that the staff member will give their views last as part of a panel discussion and that all scoring is agreed collectively.

Employees should note that failure to adhere to this guidance may result in disciplinary action.

This guidance will be reviewed as necessary and in the context of the number of applicable scenarios that arise.