

## ICAI CONFLICT OF INTEREST POLICY

October 2019

### Our standards

ICAI is committed to ensuring the highest standards of conduct in all that it does.

Given our mandate to scrutinise UK aid spending independently, we aim to ensure we always act fairly and transparently. We also aim to provide Parliament and all our stakeholders with confidence in the probity, integrity and fairness of our assessments. In this regard, we recognise the particular importance of identifying and adequately managing potential and actual conflicts of interest across all levels of our work.

A conflict of interest arises where someone has a private or personal interest which may, or could reasonably be perceived to, compromise their ability to do their job impartially or to the standards of propriety expected of a public servant. Conflicts of interest may be of a personal, financial or political nature.

This document outlines ICAI's policy and procedures for identifying and managing conflicts when they arise. The policy is intended to: prevent conflicts of interests arising as far as possible; establish the rules to address conflicts when they do arise; provide guidance to help individuals protect themselves; and enable ICAI to manage the risks around conflicts appropriately. It applies to ICAI Commissioners, secretariat staff, and suppliers.

### Recognising a conflict of interest

A conflict of interest exists for Commissioners, secretariat or suppliers where there might be a material impact on their objective judgement when carrying out their work. For example, a conflict that could affect the process, findings, conclusions or recommendations of an ICAI review.

#### **A: Financial or professional conflicts of interest**

Such a conflict of interest may arise where it could be perceived that a Commissioner, secretariat staff member or supplier has financial or professionally relevant interests which may influence their independent judgement and integrity in carrying out their work.

To manage this risk, during her appointment, the Chief Commissioner will not accept any UK ODA-funded contract, or any subcontract thereof.

Other Commissioners and secretariat staff may not be contracted by the UK government to carry out UK ODA-funded work for the duration of their appointments. Other work involving UK ODA funds (e.g. a sub-contract) will be considered on a case-by-case basis by the Head of Secretariat or Chief Commissioner, taking into account the materiality and proximity of the work to ICAI's programme of reviews and the possibility for mitigation or recusal to resolve the conflict. Permission will be withheld only if the proposed work poses undue risk to ICAI's independence.

In the case of secretariat staff, the Head of Secretariat will also have regard to the provisions of the Civil Service Code and Civil Service Management Code before coming to a decision.

All Commissioners and secretariat staff must gain written confirmation on issues regarding COI from the Chief Commissioner and/or Head of Secretariat before accepting any work, contracts or sub - contracts involving UK ODA funding, whether this funding is direct or indirect.

Commissioners and secretariat staff may not use ICAI reviews as an opportunity to pursue additional consultancy, advisory or executive roles. When bidding for contracts, they must disclose in their bid their role with ICAI and declare any constraints this imposes on them. Disclosure should include the details of any specific ICAI reviews in which they participated that relate to the subject of the contract.

Secretariat staff are subject to the Civil Service Business Appointment Rules with regard to employment they wish to take up outside the Civil Service, for a period of one year after leaving the Civil Service.

The supplier is subject to the conditions set out in section 54 of their contract.

### **B: Personal interests**

Commissioners, secretariat staff and suppliers may have working and personal relationships and contacts in DFID, other government departments and across the development sector. They will ensure that they will not allow any relationship to bias their judgement in ICAI work.

### **C: Political interests**

Commissioners, secretariat staff and suppliers may have strongly held political views and political activity in itself is not necessarily a bar to appointment. However, all persons must ensure that they do not allow these to determine any advice they give or their actions.

In accordance with the Code of Practice for Ministerial Appointments to Public Bodies, all ICAI Commissioners are required to declare any significant political activity (which includes holding office, public speaking, making a recordable donation, or candidature for election) which they have undertaken in the last five years.

During the term of their engagement, Commissioners should be, and be seen to be, politically impartial. They should not occupy a paid party-political post or hold a particularly sensitive or high-profile role in a political party. They should abstain from all controversial political activity and comply with Cabinet Office rules on attendance at Party Conferences.

Commissioners may engage in political activity but should, at all times, remain conscious of their responsibilities as a board member and exercise proper discretion. They should inform the Head of Secretariat before undertaking any significant political activity.

Secretariat staff are subject to the provisions of the Civil Service Code and Civil Service Management Code.

### **Conflicts within the supplier or their sub-contractors.**

The prime contractor will act in accordance with the conditions set out in section 54 of their contract. Prime and sub-contractors will avoid any action that gives rise to an actual, potential or perceived conflict of interest in respect of any ICAI review on which they are engaged and will notify ICAI of any circumstance that might give rise to such a conflict of interest as soon as it comes to light.

Both prime and sub-contractors will:

- Provide ICAI with an annual register of all recent and on-going ODA-related contracts. They will also include on this register any other work carried out within this timeframe which could reasonably be perceived as a conflict in terms of its materiality and/or proximity to ICAI's work programme.
- Inform ICAI whenever prime or sub-contractors accept a new ODA-related contract or other piece of work which could reasonably be perceived to conflict with ICAI's work.
- When bidding for ODA-related contracts, prime and sub-contractors will disclose in their bid their role with ICAI and declare any constraints this imposes on them. Disclosure should include the details of any specific ICAI reviews in which they participated that relate to the subject of the contract.

### **Registering a conflict of interest**

All Commissioners, secretariat staff and suppliers have an obligation to declare to ICAI's Head of Secretariat any real, potential or perceived conflicts of interest as soon as these are identified. The secretariat will also circulate declaration forms every 12 months. Nil returns will be recorded.

If a conflict is declared, ICAI's Head of Secretariat is responsible for:

- reviewing the case,
- assessing the materiality of the conflict of interest and any necessary mitigation measure (in consultation with the Chief Commissioner where this involves a Commissioner or the supplier; or in consultation with another Commissioner where this involves the Chief Commissioner),
- informing the Commissioner or staff member of the final decision on how to proceed.

Where the Head of Secretariat encounters a conflict, this shall be reviewed by the Chief Commissioner in consultation with a peer Commissioner.

ICAI will maintain a conflict of interest register in which all declarations and their outcomes must be recorded. ICAI's Head of Secretariat will ensure that this is updated whenever a conflict arises.

### **Register of interests for commissioners**

As set out in the Model Code of Practice for Board Members of Advisory NDBPs, ICAI will also maintain a register of interests for Commissioners. This shall be made available to the public through ICAI's website.

A declaration of any interest should also be made at any board meeting by Commissioners if it relates specifically to a particular issue under consideration for recording in the minutes (whether or not a board member also withdraws from the meeting). Board members should not participate in the discussion or determination of matters in which they have an interest and should normally withdraw from the meeting if:

- their interest is direct and pecuniary; or
- their interest is covered in specific guidance issued by ICAI or the sponsor department which requires them not to participate and/or withdraw from the meeting.