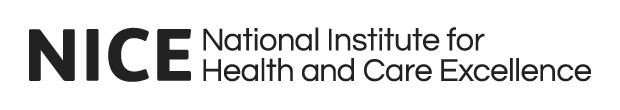
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**Policy on declaring and managing interests**

**for board members and employees**

Responsible Officer: Chief Executive

Author: Corporate Office

Date effective from: December 1999

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**Version control sheet**

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| 3.1 | May 2019 | Corporate office | Version 3.0 | Minor updates to align with the policy for advisory committees |
| 3.2 | September 2020 | Corporate office | Version 3.1 | Amendments to paragraphs 25 and 26 on financial interests |
| 3.3 | March 2021 | Corporate office | Version 3.2 | Amendments notably to shareholdings and definition of the ‘commercial sector’ |
| 3.4 | January 2022 | Corporate office | Version 3.3 | Additional text added to the section on identifying and reporting breaches (paragraphs 40 and 43) |

Contents

[Contents 3](#_Toc507664752)

[Introduction 4](#_Toc507664753)

[Purpose 4](#_Toc507664754)

[Scope 4](#_Toc507664755)

[Defining and categorising interests 5](#_Toc507664756)

[Direct interests 6](#_Toc507664757)

[Indirect interests 7](#_Toc507664758)

[Declaring interests 7](#_Toc507664759)

[Identifying and responding to potential conflicts of interest 7](#_Toc507664760)

[Board and Senior Management Team meetings 9](#_Toc507664761)

[Evidence contractors 9](#_Toc507664762)

[Records and publication 10](#_Toc507664763)

[Exceptions 10](#_Toc507664764)

[Dealing with breaches 10](#_Toc507664765)

[Identifying and reporting breaches 10](#_Toc507664766)

[Learning and transparency 11](#_Toc507664767)

[Review 11](#_Toc507664768)

[Relevant legislation, guidance and NICE policies 11](#_Toc507664769)

[Appendix A: Declarations of interest form (board member & employee) 12](#_Toc507664770)

[Appendix B: Process for declaring interests 14](#_Toc507664771)

# Introduction

1. The National Institute for Health and Care Excellence (NICE) aims to achieve and maintain high standards of probity in the way we conduct our business. These standards include impartiality, objectivity and integrity, and the effective stewardship of public funds. Managing potential conflicts of interest is an important part of this process.
2. Effectively managing interests – and identifying potential conflicts – is essential if health and care professionals, and the public, are to maintain confidence in our work. It is therefore central to how we carry out our work.

# Purpose

1. This policy supports a culture in which we are transparent about the interests of board members and staff, so that the effect of interests is known, understood and managed.
2. The policy provides guidance on:

* what interests need to be declared and when
* how declared interests should be recorded
* when a declared interest could represent a conflict of interest and the action that should be taken to manage this.

1. This policy should be considered alongside other NICE policies, including:

* Gifts and hospitality policy
* Standards of business code of conduct
* Board and staff travel and subsistence booking and reimbursement policy.

# Scope

1. This policy applies to:

* board members and NICE employees
* agency workers and contractors on temporary contracts
* secondees (people seconded to NICE from other organisations)
* employees of the external guidance centres and the ‘evidence contractors’ working directly or indirectly to supply evidence that is used by the advisory committees.

1. For ease of reference, these groups are collectively referred to as ‘board members and employees’ throughout this policy.
2. A separate policy applies to everyone involved in our advisory committee discussions, including:

* advisory committee chairs
* advisory committee members including co-opted and topic-specific members or experts
* those invited to give evidence or advice to advisory committee meetings, including expert witnesses
* technology appraisal and highly specialised technologies appeal panel chairs and members
* organisations that are formally represented on advisory committees.

# Defining and categorising interests

1. Board members and employees bring a range of experiences and perspectives to NICE’s work. It is likely they will have a variety of interests, arising from different contexts and activities in a professional or personal capacity. This can include other sources of income, speaking engagements, shareholdings, and membership of professional or voluntary organisations.

All interests should be declared if, in the view of a reasonable person, they are relevant, or could be perceived to be relevant, to NICE’s work.

1. Interests that are not, or could not be perceived to be, relevant to NICE’s work need not be declared. Examples of interests unrelated to NICE’s work could include, membership of sports and recreation societies, positions in local community groups, and shareholdings in companies unrelated to NICE’s work.
2. Board members and employees do not need to declare if they, or a family member, have a disease or condition directly relevant to their work at NICE. However, given their strategic decision-making role, if a Board or Executive Team member feels this might, or might reasonably be perceived to, affect their impartiality they are encouraged to alert the Chief Executive or Chairman in confidence. In such circumstances, in discussion with the Chief Executive or Chairman they may choose to recuse themselves from a discussion on these grounds but would not need to provide further details.
3. It is important to exercise judgement, and if there is any doubt as to whether an interest is relevant to NICE’s work, it should be declared. This includes indirect interests (see definition below), such as those relating to family and close friends, when they are known. In the case of uncertainty, further advice is available from the relevant director or NICE’s Corporate Office. When there are no interests to declare, a ‘nil return’ should be made.
4. The following categories describe the types of interests relevant to NICE’s work. In each case, a benefit may be a gain or avoidance of a loss.

## Direct interests

1. A direct interest is where there is, or could be perceived to be, an opportunity for a board member or employee to benefit. This benefit could be financial (a financial interest) or non-financial (a non-financial personal or professional interest). These are explained further below.
2. ***Financial interests:*** When a person gets direct financial benefit. This means anything of monetary value including: payments for services; equity interests, such as stocks, stock options or other ownership interests; and intellectual property rights, including patents and copyrights and royalties arising from such interests. Examples of financial interests are:

* Work in the commercial sector, including a directorship, employment, or consultancy, that attracts regular or occasional payments or benefits in kind such as hospitality. This includes clinicians undertaking private practice.
* Ownership or part ownership of a healthcare provider, including a GP who is a partner in a practice or a community pharmacist who owns their business.
* Shareholdings or other investments in the commercial sector (unless these are held in a managed fund where the person does not have the ability to instruct the fund manager as to the composition of the fund).
* Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the health or social care sector
* Directorships (paid and unpaid), including non-executive positions.

The term ‘commercial sector’ refers to businesses and trade associations who could be affected by NICE’s recommendations and commercial decisions. These include private health and social care providers, life sciences (including pharmaceuticals, medical technology, genomics, diagnostics and digital health) companies, alcohol and tobacco organisations, and companies currently, or seeking to be in, a commercial relationship with NICE.

Membership of a pension scheme from past employment does not constitute an interest that needs to be declared.

1. ***Non-financial professional and personal interests:*** Where a person has another role relevant to NICE’s work from which they do not receive a financial benefit. This can include situations where the person:

* holds office or a position of authority in a professional organisation such as a Royal College, a university, charity, advocacy group or any other organisation in the health, public health or care sector
* holds a position of authority in an organisation contracting for services with NICE.

## Indirect interests

1. An indirect interest is where there is, or could be perceived to be, an opportunity for a third party closely associated with the board member or employeein question to benefit. This could be through a close association with another individual or organisation who could stand to benefit from the board member or employee’s role at NICE. This could include any of the following groups:

* close family members and relatives
* close friends and associates
* business partners.

# Declaring interests

1. A declaration of interests should be made:

* before taking up a role at NICE (this should include all current interests and those which occurred in the preceding 12 months)
* when circumstances change and new interests arise
* annually.

1. The declaration of interests form is available in appendix A. Appendix B summarises the process for declaring interests.

# Identifying and responding to potential conflicts of interest

1. The response to a declared interest depends on the individual’s role and the extent there is a risk of a conflict of interest.

There is a **conflict of interest** when a reasonable person would consider that an individual’s ability to apply judgement or act in the work of NICE is, or could be perceived to be, impaired or influenced by one of their interests.

1. Declared interests will be reviewed by the relevant line manager or associate director (whichever is more senior) who will consider the required response. Where the interests are relevant, or could be perceived to be relevant to NICE’s work, the declaration and the proposed response will be forwarded to the relevant director for confirmation. A written audit trail of the information considered and actions taken must be maintained. For the Non-Executive Directors (NEDs), this review will be undertaken by the NICE Chairman. The Senior Independent Director will review the Chairman’s interests, in consultation with the Chief Executive.
2. If an interest is declared but there is no risk of a conflict arising then no further action is required. However, if a declared interest represents a potential conflict of interest then action must be taken to manage this risk, exercising judgement on the proportionate approach in each case.
3. For prospective employees and board members, the declared interests must be reviewed prior to formally confirming the appointment. The offer of the proposed appointment may need to be withdrawn if the conflict of interest cannot be resolved.
4. The process is outlined further in appendix B.
5. In line with the code of conduct for board members of public bodies, board members must ensure no conflict arises, or could reasonably be perceived to arise, between their role at NICE and private interests, financial or otherwise.
6. To avoid the perception of a conflict of interest, Board members and employees should not receive direct payment from a company whose products are subject to appraisal/review by NICE. This is usually defined as the sponsoring company/licence holder.
7. In addition, Board members and employees may not hold or acquire shares in the life sciences sector, which can be managed at an individual company level, and will be asked to divest themselves of such shareholdings or place them in a blind trust on appointment, or as soon as is practical thereafter. For the purposes of this provision, “life sciences” includes pharmaceuticals, medical technology, genomics, diagnostics and digital health. Where shareholdings are entered into a blind trust, the individual must not be involved in decisions at NICE for the first 12 months that could affect the value of the shareholdings initially entered into the trust.
8. Particular caution is also required around financial interests of a Board or staff member’s close family member or associate that could be seen as giving rise to a conflict of interest (as defined above). This could include for example, when a close family member or associate could benefit financially from the person’s work at NICE. The action required will depend on the closeness of the relationship, and the extent the Board or staff member’s actions could lead the person to benefit.

## Board, Executive Team and Guidance Executive meetings

1. The Board, Executive Team (ET), and Guidance Executive (GE) make strategic decisions including entering into (or renewing) large scale contracts and approving NICE’s guidance, therefore conflicts of interest must be effectively identified and managed at each meeting. Members should ensure they inform the meeting chair and secretariat as soon as they become aware of a potential conflict of interest in relation to a specific item of business, and ideally before the meeting in question, so the appropriate action can be agreed.
2. At each meeting a copy of all declared interests of the Board / ET / GE members is made available. The meeting chair asks whether there are any new interests to be added or any potential conflicts of interest specific to the issues being considered at the meeting. This is to confirm, and to potentially add to, the interests that have already been identified before the meeting.
3. If a member has an actual or potential conflict of interest the meeting chair should consider the following approaches and ensure that the reason for the chosen action is documented in minutes or records:

* requiring the member to not attend the meeting and potentially excluding the member from receiving meeting papers relating to their interest
* excluding the member from all or part of the relevant discussion and decision
* noting the nature and extent of the potential conflict of interest but judging it appropriate to allow the member to remain and participate.

## Evidence contractors

1. Evidence contractors are organisations in the public and private sectors which provide evidence assessment services and methodological support to NICE. Evidence contractors must declare any interest which may represent a conflict of interest with their work for NICE at the time each project is referred to them. The relevant NICE director or their nominated deputy will be responsible for deciding whether any interest represents a conflict and the impact it may have on the ability of the contractor to fulfil the contract.

# Records and publication

1. All declared interests that are relevant or could be perceived to be relevant to NICE’s work will be entered onto the register of interests.
2. The register of current interests for board members and the following senior employees will be published on the NICE website:

* directors
* programme directors
* Any other staff at Agenda for Change band 8d and above (or equivalent).

1. For all those covered by the policy NICE will retain a record of previously declared interests for 2 years.

## Exceptions

1. If people have substantial grounds for believing that publishing their interests should not take place, they should contact the relevant Director or Chief Executive to explain why (or NICE Chairman in the case of Non-Executive Directors). In exceptional circumstances, for instance where publication of information might put an individual at risk of harm or compromise the confidentiality of another person, information may be withheld or redacted. However, this would be the exception and information will not be withheld or redacted merely because of a personal preference.

# Dealing with breaches

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

## Identifying and reporting breaches

1. To ensure that interests are effectively managed, staff, those participating in our committees and stakeholders are encouraged to speak up about actual or suspected breaches.
2. Anyone who is aware of actual breaches of this policy, or who is concerned that there has been, or may be, a breach, should report these concerns to the relevant director or the Associate Director, Corporate Office.
3. NICE investigates each reported breach according to its specific facts, and gives relevant parties the opportunity to explain and clarify the circumstances, using the process in NICE’s disciplinary policy, where appropriate. If the actual or suspected breach concerns a member of the NICE Executive Team, the Chair of the Audit and Risk Committee should be involved in investigating the matter.
4. Following investigation NICE:

* decides if there has been, or is potential for, an actual breach and if so, the materiality of the breach
* assesses whether further action is required, including potential disciplinary action if there has been a deliberate breach.
* considers who should be made aware of the breach
* reviews and clarifies the policy, if necessary.

1. A deliberate failure to disclose an interest could in the most serious cases be treated as misconduct and result in referral to a relevant professional body.
2. NICE recognises that investigating actual or suspected breaches could potentially be a stressful and upsetting experience for all parties involved. Everyone involved in the process is entitled to be treated calmly, professionally and with respect. NICE will not tolerate abusive or insulting behaviour, nor any attempt to bully someone into not raising a concern. Any such behaviour, if upheld following investigation, could result in disciplinary action. Anyone who feels they are being bullied, or subjected to harassment, because of raising a concern should raise it under NICE’s Bullying and Harassment Policy.

## Learning and transparency

1. Reports on breaches, the impact of these, and action taken is considered by the executive team and the audit and risk committee at least annually. In addition, any breaches involving a Board member will be reported to the NICE Chairman.
2. To ensure that lessons are learnt and management of interests continually improves, anonymised information on breaches, the effect of these, and action taken is published on the NICE website.

# Review

1. This policy will be reviewed every 3 years unless an earlier review is required.

# Relevant legislation, guidance and NICE policies

1. Legislation and NICE policies and guidance relevant to this policy:

* The Bribery Act 2010, which includes the offence of offering
* Freedom of Information Act 2000
* ABPI: The Code of Practice for the Pharmaceutical Industry (2016)
* ABHI Code of business practice
* NICE Standards of business code of conduct
* NICE Gifts and hospitality policy
* Board and staff travel and subsistence booking and reimbursement policy

# Appendix A: Declarations of interest form (board member & employee)

# Name:

**Role:**

**Date appointed:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description of Interest** | **Are the company’s products currently or likely to be subject to review by NICE? (yes/no/na)** | **Remunerated (yes/no/na)**  **In the case of shareholdings please indicate whether these have been placed in a blind trust and if so, date** | **Date Interest arose** | **Date Interest ceased** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

***Please see over the page information on how to populate the above boxes***

The information you provide on this form will be used to assess if you have any potential conflicts of interest, we ask for this information to comply with our organisational policies.

Information may be disclosed to third parties in accordance with the Freedom of Information Act 2000 and will be published in registers that NICE holds.

For more information about how we process your personal data, please see our [privacy notice](https://www.nice.org.uk/privacy-notice).

I confirm that the information provided above is complete and correct. I acknowledge that any changes in these declarations during the course of my work with NICE, must be notified to NICE as soon as is practicable and no later than 28 days after the interest arises. I am aware that if I do not make full, accurate and timely declarations this may result in potential disciplinary action if there has been a deliberate breach of the policy.

**I do / do not** [delete as applicable] give my consent for this information to be published on the registers that NICE holds. If consent is NOT given, please give reasons below: (please note this will be agreed in exceptional cases only).

|  |
| --- |
| **Reason for non-disclosure** |
|  |

**Signed (employee): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Line manager / Associate Director’s comments:**

Are there any actions required? Yes / No [delete as appropriate] If so, state below:

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Name: ­­­­­­­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Director’s comments:**

**Name: ­­­­­­­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Please return this form to the Corporate Governance Manager, in the Corporate Office**

**GUIDANCE NOTES FOR COMPLETION OF THE DECLARATION OF INTEREST FORM**

|  |  |
| --- | --- |
| **Name & role:** | Insert your name and your (proposed) role at NICE. |
| **Description of**  **Interest:** | Provide a description of the interest that is being declared. This should contain enough information to be meaningful to enable a reasonable person with no prior knowledge to be able to read this and understand the nature of the interest. |
|  | Types of interest:  **Financial interests -** where a person gets direct financial benefit. |
|  | **Non-financial professional and personal interests -** Where a person has another role relevant to NICE’s work from which they do not receive a financial benefit. This includes:   * holding office or a position of authority in a professional organisation such as a Royal College, a university, charity, advocacy group or any other organisation in the health, public health or care sector * holding a position of authority in an organisation contracting for services with NICE. |
|  | **Indirect interests -** where there is, or could be perceived to be, an opportunity for a third party closely associated with the board member or employee to benefit. This includes close family members and relatives, close friends and associates, and business partners. |
|  | A benefit may arise from both a gain or avoidance of a loss. |
| **Relevant Dates:** | Detail here when the interest arose and, if relevant, when it ceased. |
| **Line manager / Associate Director review** | Declared interests will be reviewed by the relevant line manager or associate director (whichever is more senior) who will consider the required response. Where the interests are relevant, or could be perceived to be relevant, to NICE’s work, the declaration and the proposed response should be recorded and forwarded to the relevant director for confirmation. |

# Appendix B: Process for declaring interests

**Board Members**

**Declaration of interest submitted prior to the NICE Board**

Reviewed by the NICE Chairman (for NEDs) or Chief Executive (for Executive Directors) and interests added to the register of interests on appointment

**Declared interests available to Board members at the meeting**

At the start of the meeting, attendees asked to declare any changes to the declared interests and any potential conflicts of interest in relation to the items to be discussed.

**Interests are recorded in the minutes**

Details of the interests are recorded in the board meeting minutes including whether the member took part in the proceedings. Register of interests is updated.

**Annual renewal of declarations**

Corporate office prompt all board members to complete their annual renewal or make a nil return and will update the register as appropriate

**Employees**

**Declaration of interest submitted as part of recruitment process**

Reviewed by Human Resources and the recruiting manager. Any interests potentially relevant to NICE’s work sent to the relevant associate director and director for sign-off, and then to the Corporate Office for entry in the register of interests.

**Changes in interests to be declared as and when they arise**

All employees have a responsibility to declare any changes in their interests as and when arise and to inform the Corporate Office to update the register of interests.

**Declarations to be reviewed on appointment to a new role**

Declarations should be reviewed when employees move to a new role or their responsibilities change significantly.

**Annual renewal of declarations**

Corporate office will prompt all employees to complete their annual renewal or make a nil return and will update the register as appropriate.