

## Oxfordshire County Council Fire Pension Board

### Conflict of Interests Policy

#### Introduction

- 1.1 The Public Service Pensions Act 2013 introduced a framework for governance and administration of public service pension schemes and provides an extended regulatory oversight by the Pensions Regulator.
- 1.2 The Act requires that the Scheme Manager:
  - Be satisfied that a person to be appointed as a member of the Pension Board does not have a conflict of interest; and
  - Be satisfied from time to time that none of the members of the Pension Board has a conflict of interest.
- 1.3 A conflict of interest is a financial or other interest likely to prejudice the way in which someone carries out their role as a member of the Pension Board. It does not include, however, a financial or other interest arising from being a member of the Firefighter Pension Scheme or any connected scheme for which the Board is established.

#### Policy

- 2.1 The Scheme Manager must be satisfied that:
  - A person to be appointed as a member of the Pension Board does not have a conflict of interest
  - On an ongoing basis that none of the members of the Pension Board have a conflict of interest
- 2.2 The Pension Board members will be required to provide the Scheme Manager with such information as the Scheme Manager requires for the purposes of meeting the requirements referred to above.
- 2.3 Actual conflicts of interest are prohibited under the pension regulations and therefore cannot be managed. Only potential conflicts of interest can be managed.

#### Application

- 2.4 A conflict of interest may arise in the following circumstance:

*Pension Board members fulfil their statutory role of assisting the Scheme Manager in securing compliance with the Scheme Regulations, other legislation relating to the governance and administration of the scheme and any*

*requirements imposed by the regulator or with any other matter for which they are responsible whilst having a separate personal interest (financial or otherwise) the nature of which gives rise to a possible conflict with their statutory role.*

2.5 Members of the Pension Board will be expected to comply with both the requirements of the Public Services Pensions Act 2013 and the seven principles of public life (formerly known as the Nolan principles) which are set out below:

- i) Selflessness – holders of public office should act in terms of the public interest.
- ii) Integrity – holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- iii) Objectivity – holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- iv) Accountability – holders of public office are accountable for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- v) Openness – holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- vi) Honesty – holders of public office should be truthful.
- vii) Leadership – holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

2.6 If a Pension Board Member has a dual interest which may include other responsibilities, the Scheme Manager and Pension Board Members will need to consider all other interests, financial or otherwise when considering interests which may give rise to a potential or actual conflict.

2.7 Conflicts of interest will be considered in line with a three-stage process:

- Identification of the potential conflict.
- Monitoring of the potential conflict.

- Managing the potential conflict.

### **Identifying Potential Conflicts**

- 2.8 Pension Board members will be expected to be open and transparent in disclosure of potential conflicts.
- 2.9 Disclosure of interests which have the potential to become conflicts of interest should be declared to the Pension Scheme Manager.
- 2.10 Pension Board members will have a clear understanding of their role and the circumstances in which they may find themselves in a position of conflict of interest.
- 2.12 Pension Board members will be required to formally declare any interests including other responsibilities, which could become a conflict of interest, and which may adversely affect their suitability for the role, to the Scheme Manager, before they are appointed to the Pensions Board.
- 2.13 Pension Board members will be required to provide the Scheme Manager with any information that they reasonably require to be satisfied that Pension Board members do not have a conflict of interest.
- 2.14 The Scheme Manager will consider what issues or important matters, or decisions are likely to be considered in the following year ahead and identify and consider any potential or actual conflicts of interests that may arise in the future.
- 2.15 Where potential conflicts exist Pension Board members should be notified as soon as is practically possible to enable risk controls to be put in place to mitigate the impact of the conflict.

### **Monitoring Potential Conflicts**

- 2.17 The Scheme Manager will be responsible for evaluating and managing dual interest risks which have the potential to become conflicts of interest and pose a risk to the scheme if they are not mitigated.
- 2.18 On appointment, a Pension Board Member will be expected to complete a Pension Board Register of Interests for recording and monitoring dual interest and responsibilities. (Attached at Appendix A).
- 2.19 Where decisions are taken to manage potential conflicts of interests this should be recorded on a risk register by the Scheme Manager.

- 2.20 The Pension Board register of interests and other relevant documents will be circulated to the Pension Board for ongoing review and be published on the Service intranet.
- 2.21 Conflicts of interest should be included as an opening agenda item at all Pension Board meetings and revisited during the meeting, where necessary. Those present will be required to declare any conflict of interest, including other responsibilities, which have the potential to become conflict of interests. Any discussion about how the conflict of interest is to be managed should be recorded in the meeting minutes.

### **Managing Potential Conflicts of Interest**

- 2.22 The Pension Board should not be compromised at any stage by potentially conflicted members. The roles and responsibilities of Pension Board members should be carefully considered to ensure that any potential conflicts do not arise or are not perceived to have arisen.
- 2.23 Appropriate risk controls should be implemented where a potential conflict of interest has been identified.

**PENSION BOARD MEMBER REGISTER OF INTERESTS**

As a general principle, members of the Pension Board should err on the side of caution and declare any interests that they think may be a potential conflict of interest.

<b>Name</b>	<b>Nature of Role on pension Board i.e., employer of NFRS, elected member, Representative Body Member</b>	<b>Date</b>

<b>Interest</b>	<b>Detail</b>	<b>Scheme Manager's Control Measures</b>
<b>1. Companies and Securities</b> e.g., where you or a close relative or friend has a significant shareholding of a company (£25k or 1% of total shareholding) or is actively involved in running a company which might impact on the running of the Firefighter pension Scheme		
<b>2. Contracts</b> e.g., where you or a close relative of friend intends to bid for a contract that may have an impact on the administration of the <b>Firefighter Pension Scheme</b>		
<b>3. Employment or Business</b> Any employment or business carried on by the pension Board member.		
<b>4. Directorship</b>		

Interest	Detail	Scheme Manager's Control Measures
<p>Any contract for goods, services or works made between the Authority and the employee or a firm in which the employee is a partner or a company director.</p>		
<p><b>5. Outside bodies</b> Any outside body to which you have been appointed by the Fire Authority.</p>		
<p><b>6. Other Outside Bodies of which I am a member or in a position of general control or management.</b> Anybody which provides functions of a public nature or is directed towards charitable purposes.</p>		
<p><b>7. Other interests</b> <b>Other interests which may in any way conflict with membership of the Fire fighter pension Board.</b> This may include membership of any organisation not open to public without formal membership and with a commitment of allegiance which has secrecy about rules of membership or conduct and where there is potential for questions to be raised in relation to the award of contracts or employment between members.</p>		

