



Policy on declaring interests

Version 1.0

October 2019

Variation

This document replaces the previous declaration of interests document for Council and Board. The document is now defined as a policy with guidance.

The following areas have been updated in this version:

- A statement of the policy and to whom and when it applies.
- Updates to the timing of declarations, in particular as they relate to elections to Council
- Clarification of the need to declare interests in other professional bodies
- Frequency of declaration

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POLICY

Policy statement

It is important to ICAEW that its governance works in the best interests of ICAEW and its members as defined and set out in the Royal Charter. ICAEW is also committed to act in the public interest, particularly as this relates to matters of regulation and professional standards.

Understanding and managing potential conflicts of interest between members of Council, ICAEW Board and other committees is essential to achieve this. To this end, all members of these bodies are required to declare their interests where they are relevant to ICAEW business and ICAEW maintains a public register of interests for Council, ICAEW Board and other specific committees.

Who does this policy apply to?

The Council has agreed that all members of Council and of the Board (i.e. including the Chief Executive and Executive Directors) must complete a declaration of their interests which are relevant to ICAEW business.

The ICAEW Nominating Committee, who are responsible for the appointment of members to all ICAEW Committees, has agreed that the declaration should also be completed for all members of ICAEW governance committees¹ and is recommended for all other ICAEW committees.

When does the policy apply?

The declaration is required:

- On application to be a candidate for election to Council
- When joining Council or Board or a governance committee as either a co-opted member, ex-officio or other form of appointment
- On an annual basis thereafter, or when your circumstances change, whichever occurs more frequently

Managing conflicts of interest

Members must not be involved in discussion or decision making in relation to a matter in which they have a conflict of interest.

Once a conflict of interest is identified, ICAEW will seek to prevent it from affecting decision-making by taking appropriate steps to manage the conflict which will usually mean that the person is excluded from discussions or decisions about the matter, although other actions may be taken if necessary.

What is covered by this policy?

This policy refers to interests that may influence, or may be perceived as influencing, an individual's input and decisions as a member of Council, ICAEW Board or other committee of ICAEW.

The guidance below provides further clarification on what interests must be declared and exclusions.

Failure to comply with this policy

Failure to make, or promptly update, a declaration of interest may affect the appointment of individuals to the ICAEW committees and governance bodies.

¹ ICAEW governance committees are: Committee of Council, Audit Committee, Nominating Committee, Professional Standards Appointments Committee, Remuneration Committee and Investment Committee.

GUIDANCE FOR INDIVIDUALS REQUIRED TO SUBMIT A DECLARATION

1. Please complete a declaration using the declaration form:
 - even if you consider you have nothing to declare
 - when requested, even if you consider that your previous entry is unchanged
 - as soon as your interests change.
2. Please:
 - consider carefully if you have any interests which are **relevant** to ICAEW business that **you believe** you should declare (the terms in the form are loosely defined and is largely left to individuals' good judgement. Additional, though not exhaustive, guidance is provided)
 - err on the side of caution, disclosing any interest you consider to be relevant, whether direct or indirect, pecuniary or non-pecuniary
 - include information which you could reasonably be expected to know relating to your immediate family and to people with whom you have a business or social relationship
3. Please make an additional declaration if your circumstances change significantly at any time during the year
4. You are also expected to continue to declare interests, as they arise, at meetings and elsewhere, even if those matters have already been included in your declaration.
5. You are not required to disclose any interest where this could put under risk your personal safety or where not permitted by law. You should nonetheless take steps to resolve any such conflicts which arise in the course of your duties as a Council, board or committee member.
6. The relevance of your interest in any matter will reflect not only possible pecuniary interest but also the extent of your influence and position. This may be direct or indirect and may be exercised through family, business or social relationships.
7. If you are in any doubt about the relevance of any interest or relationship, please discuss the matter in confidence with the President and/or Chief Executive or the Head of the Chief Executive's Office.
8. Please be aware, that declared matters may be made available for public inspection on icaew.com and, in relation to an application to be a candidate for election to Council, will be included with your personal candidate statement. If you consider any matters to be too sensitive for publication, please inform the Head of Chief Executive's Office when submitting your declaration.

Matters to consider when making your declaration

Note – this is not an exhaustive list and does not override the requirement for you to exercise your personal judgment.

Relevance of interests to ICAEW

You need declare only those interests which are relevant to the business and activities of ICAEW as a professional body of Chartered Accountants. In this context, 'relevant' means any interest which might influence your judgement, or which could be perceived (by a reasonable member of the public) to influence your judgement, in the exercise of your ICAEW duties.

You do not need to declare any interest which is at such a level that it could not reasonably be expected either to affect the perception of you as an individual or to influence your behaviour.

Direct and indirect interests

A direct interest is one which affects you personally. An indirect interest is one which arises from your connection with bodies which have a direct interest: from being a business partner of, or

employed by, a person with such an interest, or from a direct interest of a member of your immediate family. Interests may be both pecuniary, i.e. financial or with a financial element, or non-pecuniary.

Immediate family normally includes a spouse or partner, children living at home and other family members who consult or rely on you for advice. Where you could reasonably be expected to know of material interests of other close family members, these should also be disclosed.

Enquiries of others

You are not obliged to make enquiries of your family, friends or business associates as to any actual or potential interest they may have in ICAEW business. You should nonetheless consider making a declaration if you become aware of such an interest in the normal course of your relationship with them or where you could reasonably be expected to know of such an interest.

Professional or social relationships

This will include relationships or friendships with any individual, firm, company or organisation who you believe or could reasonably be expected to believe does or might do business with ICAEW or does or might directly compete with ICAEW.

Data protection and consent

When disclosing information about people other than yourself, you must inform the individuals concerned and acquire their consent to list these interests on your declaration.

Relationships with formal bodies or groups

This may include other professional bodies, political parties and other groups, where this could be regarded as influencing your behaviour. You do not need to record your membership (eg ACA or FCA) of the ICAEW.

Connections with, employment by and membership of, other professional bodies in the field of accountancy, or in related fields, are considered relevant to the business and activities of ICAEW and should be declared. Participation in the governance of those bodies as either a member of staff or as a volunteer or office holder, is considered an interest that must be declared.

ICAEW membership

You do not need to declare any interest in a matter which affects the generality of ICAEW members. This will include, for example, participation in debates and decisions on the level of fees and subscriptions, accounting and auditing standards, codes of governance and the duties of directors.

Membership of ICAEW boards and committees

Please also declare membership of ICAEW Council and/or of any ICAEW boards or committees and any external bodies to which you are appointed as a representative of the ICAEW. Include details of any local District Society committees or local member advisory boards or committees of which you are a member.

Further advice is available from the President, Chief Executive or the Head of Chief Executive's Office.

Document control

Date: 2 October 2019
Expiry: October 2021
Confidentiality: ICAEW use only
Version: 1.0
Owner: Head of Chief Executive's Office
Drafted by: Alison Stokes
Approved by: Nominating Committee (2 October 2019)
Next review date: March 2021
Linked documents: Declaration form