



Homes for Wells

Conflicts of Interest Policy

Introduction

The use of transparent mechanisms to manage conflicts of interest, thereby ensuring probity in Board members' actions and decisions, is vital in order to protect both the Homes for Wells and individuals.

Board members (along with staff and volunteers) have a legal obligation to act in the best interests of the HfW, and in accordance with the Constitution and Code of Conduct. They must not, excepting reimbursement of out of pocket expenses, receive any benefit from HfW in return for a service provided, unless such benefit is expressly authorised by HfW governing document.

Conflicts of interest may arise where an individual's personal or family interests and/or loyalties conflict with those of HfW; such conflicts can inhibit free discussion, result in decisions that are not in HfW best interests and/or risk the impression that HfW has acted improperly. In terms of reputation, the latter risk may be the most serious. A conflict of interest which is not managed properly and which leads to a financial benefit to the Board member, may lead to allegations of breach of trust and criminal proceedings.

Potential Conflicts of Interest

These can arise in many ways and include;

Direct financial gain or benefit to a Board member

- Payment to a Board member for services provided to the charity
- Payment for acting as a Board member
- Board members acting as (paid) Directors of subsidiary trading companies
- Sale of land or property to a Board member
- Use of a Trustee's property by the charity

Indirect financial gain or benefit to a Trustee

This arises most commonly when a close relative of the Board member is employed by the charity (where the Board member could be seen to benefit indirectly from remuneration to that employee).

Policy Statement

HfW Articles of Association clearly state in paragraphs D20

Any Board member, co-optee or member of a committee, having an interest in any arrangement between the Association and someone else shall disclose their interest before the matter is discussed by the Board or any committee. Unless it is expressly permitted by these rules, they shall not have any vote on the matter in question. Any decision of the Board or of a committee shall not be valid because of the subsequent discovery of an interest which should have been declared.

Trustees must recognise the importance of ensuring probity, both financial and moral, in all aspects of HfW work. This must include ensuring that Board members do not use any involvement they may have in other organisations to influence, whether positively or negatively, any decisions they make about HfW. It is the Board members' paramount duty to act in the best interests of HfW at all times.

HfW will declare, on an annual basis, any organisations of which they are a member, or in which they hold a position of general control, management or influence. This declaration will be required immediately following the Annual General Meeting, and the results will be collated into a Register of Interests which will be available for inspection at all HfW meetings. The Chair will remind HfW about their obligations in respect of potential conflicts of interest at the start of each HfW meeting.

It is the responsibility of individual Board members to make a judgement about whether a connection elsewhere creates a conflict of interest with any given issue on a HfW agenda, and to openly declare the potential conflict of interest if required. This should be done by making the Chair aware of any such issues prior to the start of HfW meetings, and by publicly declaring the possible conflict of interest at the start of the relevant item. It will be up to the Chair to decide whether the Board member should leave the meeting for the duration of the relevant item, or whether he or she should be asked not to take part in any decision on the item.

It is unlikely that passive membership of a cognate organisation would lead to a conflict of interest. Board members recognise that they are likely to have interests beyond HfW, and these should not present any issue so long as Board members respect and adhere to their duty to act in the best interests of HfW whilst representing the organisation.

This policy will be reviewed every three years.

Adopted

Signed Chair