**CONFLICT OF INTEREST POLICY**

**Allerton Group**

**Policy Statement**

**Introduction**

This document outlines the Conflict of Interest Policy specific to Parasol Homes Limited, a subsidiary of the Allerton Group. The scope of this policy extends to all employees within Parasol Homes Limited, recognising their connection to the Allerton Group. All subsidiaries under the Allerton Group are:

* Allerton Developments Limited - Parasol Homes Limited
* Allerton C&S N Limited - Allerton C&S NE Limited
* Allerton C&S SW Limited - Allerton C&S SC Limited
* Allerton C&S GL Limited - Allerton C&S SE Limited

**Our Conflict of Interest Policy**

This policy sets out our approach to dealing with conflicts of interest. Examples of conflicts of interest can be found in section 4 of this policy.

**Equality and Diversity**

We are committed to respecting diversity in all aspects of our work, and we will not tolerate any form of discrimination.

**Commitment and Review**

The Allerton Group will support all managers in the application of this policy and expects all employees to abide by it. The effectiveness of this general statement of intent and other specific policies and procedures in use, will be regularly reviewed as and when necessary.

Signed: ………………………………………… Dated: ………………………..

John Turk, Group CEO, Allerton Group

Signed: ………………………………………… Dated: ………………………..

Anthony Jenkins, Managing Director,

Parasol Homes Limited

1. **Introduction**

As a registered provider of social housing, Parasol Homes Limited (‘Parasol’) is assessed against stringent regulatory standards as set by the Regulator of Social Housing (‘RSH’ or ‘the Regulator’) and operates in line with the National Housing Federation’s Code of Governance, the organisation’s chosen Code of Governance. A core aspect of maintaining high level of compliance is to ensure that any actual and potential conflicts of interests are properly managed.

Additionally, as an association providing specialised supported housing to vulnerable adults, we face scrutiny from our shareholders, stakeholders, the Regulator and our tenants. Recognising the significance of trust and transparency in our operations, we strive to cultivate a culture that permeates our organisation.

The Board of Parasol Homes Limited has the responsibility to ensure that all actual and potential conflicts are identified, recorded and managed correctly.

1. **Policy Statement**

This Policy applies to anyone (whether corporate or individual) who currently has (or has within the last 12 months) or has had a connection with Parasol. This includes the following:

1. Anyone who is employed by Parasol; either directly, as a consultant or self-employed working in the organisation.
2. Anyone who is a Director, Officer or Board Member
3. Anyone holding controlling financial interest in Parasol
4. The Parent company, entities, or individuals exerting control or influence over Parasol.

The aim of this policy is to protect both Parasol as an organisation and the individuals involved, including any potential influence from the Parent company or entities, from reputational damage caused as a result of impropriety. This will ensure that Parasol is able to continue providing high quality services to our tenants as expected.

1. **Policy Review Statement**

This Policy will be reviewed every 12 months following the policy initial approval. This Policy will be considered by the Board following initial approval by the CEO. The next review for this Policy is due in February 2025.

If deemed necessary, this Policy will be reviewed prior to the prescribed date to incorporate new legislation, regulatory and operational developments, alongside the needs of the business. Any proposed changes will be presented and scrutinised by the Board prior to approval.

1. **Examples of Conflict in Interest**

Conflicts can arise in a multitude of ways and can potentially be identified in all aspects of an organisation. Examples of potential conflicts can include the following:

1. Personal Conflicts: Where an individual’s personal or family interests or loyalties conflict with those of Parasol, including situations where such conflicts may arise from association with the Parent company or other entities outside or within the Group or individuals.
2. Tenants on the Board: Where a tenant who also sits on the Board where matters directly concerning them are discussed, taking into account, where applicable, connections with the Parent company or affiliated entities, within or outside the Group.
3. Membership: Where a Board Member or employee has membership of other Boards and Committees within the same group
4. Outside Employment: Where a Board Member or employee is either employed by or is a member of a competitor’s Board, acknowledging potential conflicts that may arise from association with the Parent company or entities, inside or outside of the Group, with competing interests.
5. ‘Self-Dealing’: Where a Member has shares in a business which may be awarded a contract to either complete work or provide services for the organisation, also taking into account any potential conflicts arising from connections with the Parent company or related entities.

This is not an exhaustive list, and the governance team may identify further conflicts more bespoke to Parasol.

1. **Managing Conflicts**

Effective conflict management is imperative to uphold Parasol’s reputation and align with Parasol’s constitution. To ensure the integrity of our operations, Parasol will also address conflicts that may arise from connections with the Parent company and other influential entities.

Parasol will ensure that parent companies alongside any other entities or individuals who have control or influence, do not exert a level of influence which would have a damaging effect on Parasol or its compliance with Regulatory standards.

To ensure compliance with the requirements of being a Registered Provider, Parasol will:

1. **Monitor compliance**: Regularly assess adherence to conflict of interest policies, procedures and codes to ensure ongoing alignment with organisational values.
2. **Conduct** **Audits**: Undertake both internal and external audits, promptly and action recommendations
3. **Record** **Non-Compliance:** Document any instances of non-compliance, ensuring a comprehensive record of identified issues and taking all appropriate actions.
4. **Establish** **Transparency:** Foster a transparent culture with a co-regulatory approach, emphasising open communication and cooperation with the Regulator, and to inform the Regulator of any significant breaches of legal or regulatory requirements.

All actual and potential conflicts will be systematically managed through a three-step process: Identification; Recording; Mitigation.

The Board has overall responsibility to ensure Parasol’s strict adherence to the prescribed 3 step process.

* 1. **Identification**

**Declaration Requirement:**

All Board/Committee Members and Parasol staff must declare all actual and potential interests promptly to the Company Secretary.

**Avenues of Identification:**

Actual and potential conflicts can be identified through a number of avenues, including but not limited to:

1. Staff training
2. Annual completion of the ‘Annual Declaration of Interest’ Form
3. Due diligence and oversight by the Governance Team
4. External audit of internal processes

**Duty to Disclose:**

Board/Committee Members and Staff have a duty to disclose the following actual or potential conflicts:

1. Employment-related information for Board/ Committee Members
2. All Board/Committee Members and staff to disclose the following:
3. Positions of public responsibility
4. Membership of other Housing Associations
5. Financial interests which they, their family or close associates may have which relate to the work of Parasol
6. Any direct or indirect monetary or non-monetary interests
7. Board and Committee Members to disclose all interests in other bodies within the following capacity including:
8. Director/officer/senior employee
9. Firm Member
10. Official/elected member of a statutory body
11. Owner/Controller of over 2% of shares in a quoted company (10% for private companies)
12. Occupier of any property owned or managed by the association

**Annual Declaration Form:**

‘Interests’ as defined by Parasol can be found listed in the attached Annual Declaration Form (Appex.1).

**Submission of Declaration Forms:**

All employees who declare a personal interest must also complete a Declaration of Interests Form. The original, signed copy must be sent to the Company Secretary at the following address:

**Parasol Homes Limited, Victoria House, 49 Clarendon Road, Watford, Herts, WD17 1HP.**

**Annual Renewal:**

All Board/Committee Members and executive members of staff must annually complete a new Declaration Form. All Board/Committee Members will be provided a copy of the form as part of the relevant meeting’s Board/Committee pack.

**Meeting Protocols:**

Any Board/Committee Member who has interests (as outlined within the Annual Declaration Form) in any contract, arrangement or other transaction about to be discussed by the Board or Committee must declare their conflict at the start of the Board/Committee Meeting. Additionally, the Board/Committee Member must not vote on the matter in question and recuse themselves from the meeting for the duration of the discussion.

Similarly, Tenant Board Members must not vote on matters concerning them personally. However, they may still vote on any decisions affecting all or a group of tenants.

If another Member of the Board or Committee considers that another member has such an interest, then he/she has a duty to raise their concern with the Company Secretary.

* 1. **Recording**

Parasol maintains a Register of Interests for all Board and Staff Members overseen by the Company Secretary. This Register is available for public inspection upon request.

* 1. **Mitigation**

The Board has overall responsibility to ensure that appropriate actions are taken to mitigate any actual or potential risks.

Appropriate actions may include the following:

1. Establishing Ringfencing Agreements for proper movement of funds
2. Board/Committee Member or staff recusal from decisions which may be directly affected by identified or potential conflicts
3. Resignation from positions such as Board Membership where the conflict cannot be mitigated through other means

**Decision-Making Protocol:**

In the event of the Board having to decide upon a question in which a Board Member or member of staff has an interest, all decisions will be made following the usual protocol which includes a vote and a simple majority.

A quorum (as prescribed within the Company Rules) must be present for the discussion and voting process. The interested party will not be counted when deciding whether a meeting is quorate. The interested party must either recuse themselves from both the discussion and decision or be present for the discussion and not take part in the voting process.

**Meeting Record:**

All decisions under a conflict of interest will be recorded by the Company Secretary within the meeting minutes. The records will include:

1. The nature and extent of the conflict
2. An outline of the discussion, including which individuals took part
3. The actions taken to manage the conflict in question.
4. **Review**

The Policy will be reviewed every 12 months from the date of approval to ensure its continuing suitability, adequacy and effectiveness or as required by the introduction of new legislation or regulation that impacts on the conflict of interest management obligations of Parasol, changes to Parasol business practices or in light of management system audits.

The next review date for this policy is February 2025.

Declaration of Interest Form

This form is for the purposes of declaring all such interests. The existence of an ‘interest’ does not necessarily involve a **conflict** of interests, but full declaration will mean that all potential conflicts are identified and dealt with appropriately. It is the responsibility of the individual completing the form to ensure their interests are fully, properly and promptly declared.

**FORM FOR DECLARATIONS OF INTEREST**

|  |  |
| --- | --- |
| **Name:** |  |
| **Role/job title** |  |
| **Previous positions at Parasol Homes either as a non-executive or as a member of staff** |  |

**WHEN IN DOUBT, DECLARE.**

**Definitions**

The definition of ‘**close relative’** in this form includes someone’s husband, wife, partner, parents, grandparents, children, grandchildren, brothers and sisters. Similar relations by marriage, civil partnership or established non-contractual partners also count as “**close**”. A person who might reasonably be regarded as similar to family members even where there is no relationship by birth or in law would also count as “**close**”.

Parasol Homes defines **‘close** **associate**’ to mean people to whom you are personally close through kinship, friendship, or business, faith or social connection.

|  | **GIVE DETAILS, INCLUDING DATES WHERE APPROPRIATE** |
| --- | --- |
| ***For Board and Committee only***  Please give the name(s) and address(es) of your employer(s) and your job title(s).  If you are self-employed or a member of a partnership please give the name(s) under which the entity/ies trades. |  |
| ***For staff members only***  Please give the name(s) and address(es) of any other employer(s) you have, and your job title(s).  If you are self-employed or a member of a partnership please give the name(s) under which the entity/ies trades. |  |
| Please give the names of any companies or businesses in which you or, to your knowledge, your close relatives or associates have an interest |  |
| Please list any directorships or managerial positions you hold, whether paid or unpaid.  (This includes being a board or committee member of a voluntary organisation, etc) |  |
| Please list any public offices you hold, including as an official, appointed or elected member of any statutory body |  |
| Are you a tenant, board member, co-optee or shareholder of any other housing association, or of any local authority? If so, please provide details |  |

|  | **MARK IF YES** | **If yes give details, INCLUDING DATES WHERE APPPROPRIATE** |
| --- | --- | --- |
| Are you a tenant or lessee of any property owned or managed by Parasol Homes. |  |  |
| To your knowledge, are any of your close relatives or associates a tenant or lessee of any property owned or managed by Parasol Homes?  Please state the relationship. |  |  |
| Are you the owner of any property leased to or managed by Parasol Homes? |  |  |
| To your knowledge, are any of your close relatives or associates the owner of any property leased to or managed by Parasol Homes?  Please state the relationship. |  |  |
| Do you have, or have you had, a close business or personal relationship with any current board member, committee member, or member of staff? |  |  |
| To your knowledge, does Parasol Homes do business with any company or organisation, whether trading for profit or not for profit, in which any of your close relatives or associates are a partner, director or person directly concerned in the organisation’s management? |  |  |
| Are you aware of any other actual or potential overlaps or dualities of interest arising from your connection with Parasol Homes and your or your close relatives’ or associates’ personal/business interests? |  |  |
| Have you been disqualified from acting as a director of a company for any reason? |  |  |
| Have you been convicted of an indictable offence **or cautioned** within the last five years |  |  |
| Do you use any of the Parasol Homes’ suppliers, contractors or consultants other than utility companies (gas, electricity, water, telecoms, public transport) and large national companies? If so, please list them. |  |  |
| If so, are all purchases on normal commercial terms available to any member of the public making similar purchases? |  |  |
| Do you or, to your knowledge, any relative or associate, have any other interests which are significant or material that you wish to declare? |  |  |

The information you have provided will be held by Parasol Homes.

**Staff Members**: By signing below you agree to Parasol Homes using the information provided to form the basis of an (anonymous) Register of Interests to be presented to the Board.

**Board/Committee Members:** By signing below you agree to Parasol Homes using the information provided to form the basis of Register of Interests which will be available for public inspection.

I certify that:

* the information and answers given above are true and complete to the best of my knowledge;
* should I become aware of an interest which is not disclosed in this declaration, I will immediately make a further written declaration.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Signed:** | | | **Date:** | |
| **REVIEW OF DECLARATION OF INTEREST** | | | | |
| ***EITHER***  I confirm there are no matters requiring further action or measures | |  | **Signed:**  **Date:** | |
| ***OR***  To protect the good name of Parasol Homes and the individual, the undernoted measures should be taken | |  | **Signed:**  **Date:** | |
| **Measures to be taken:** | |  | | |
| **Declaration of interest recorded in Register of Interests** | | **By:**  **Date:** | | |