



## Conflicts of Interest Policy

June 2022 Rev A

# Conflicts of Interest and Loyalty Policy

## Purpose

The purpose of this policy is to assist board members (charity trustees) of the organisation to effectively manage conflicts of interest or conflicts of loyalty.

Conflicts of Interest or Conflicts of Loyalty may arise in situations where a board member's professional or personal interests and relationships, conflict with those of the organisation. To avoid any misunderstandings or appearance of wrongdoing on the part of board members, the procedures specified in this document should be followed if conflicts arise.

## Scope

This policy applies to board members (CDP) of the organisation.

## Definitions

A conflict of interest is any situation in which a board members personal interests or loyalties could or may be perceived to prevent the board member from making a decision in the best interests of the organisation. The nature of the interest may be direct or indirect and can include interests of a person connected to the board member.

## Conflicts of Interest Procedure

1. Board members must declare all conflicts of interest at a Board meeting and at the earliest available opportunity to do so. It is not sufficient to declare a conflict of interest at a sub-committee meeting or working group meeting.
2. A Board member should declare the exact nature of his/her interest or conflict to fellow Board members.
3. The Board member should not participate in any discussion of the issue in which he/she has an interest during the Board meeting unless invited to do so by the Chairperson.
4. The Board member should leave the meeting room while fellow Board members discuss and/or reach a decision with respect to the issue in which the person has an interest.
5. If a Board member does not declare an interest that is known to the Chairperson or Secretary, the Chairperson will declare the interest and the actions specified in points 3 and 4 above will be followed.



6. All declarations of conflicts of interest (and actions arising) must be recorded in the minutes of the meeting where they are declared.
7. The Chairperson must record conflicts of interest in a register maintained for this purpose.

### **Conflicts of Loyalty Procedure**

Board members should declare any conflicts of loyalty that may arise in a Board meeting at the earliest available opportunity. If the nature of the conflict of loyalty may not be resolved, the Board member may have to avoid taking part in the decisions of the Board or may have to resign his/her membership of the Board.

### **Compliance with the Policy**

If the Board believes that a board member has failed to comply with this policy, it will investigate this compliance failure.

If it is found that the board member has failed to declare a conflict of interest, the Board may take action, up to and including seeking the board member's resignation from the organisation.

If a person is of the opinion that a board member has failed to disclose a conflict of interest, s/he should notify the Chairperson of the Board.