

| MVDA Policy and Procedures | |
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| Associated policies and procedures | <ul style="list-style-type: none"> • MVDA Whistleblowing Policy • MVDA Code of Conduct |

1. Introduction

The purpose of this policy is to protect the integrity of MVDA's decision-making process, to enable stakeholders to have confidence in MVDA's integrity, and to protect the integrity and reputation of Board members, staff and volunteers.

MVDA Board members¹, staff and volunteers have an obligation to act in the best interests of the Charity and will strive to avoid any conflict between the interests of MVDA on the one hand, and personal, professional, and business interests on the other. This includes both actual conflicts of interest and the perception of conflicts of interest.

Conflicts of interest include, but are not limited to:

- unfair access to information, influence, services or resources
- being a party to both sides of a contract or other agreement.

This policy further defines conflict of interest and sets out procedures to enable any conflicts of interest that occur to be identified as early as possible and either to remove them or to prevent them from affecting decision-making. It is meant to supplement good judgment. Board members, staff and volunteers should respect its spirit as well as its wording.

2. Board members

Charity trustees have a legal duty to act only in the best interests of the Charity. Whether nominated by member organisations or otherwise co-opted or appointed, all Board members must act only in MVDA's best interests. They must not put themselves in any position where their duties as a Board member may conflict with any personal interest. If it is not possible to avoid a conflict of interests, any interests or perceived interests must be carefully managed.

¹ Board members includes trustees/directors, advisors and other co-optees.

2.1 Identifying conflicts of interest

A conflict of interest is any situation in which a Board member's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of MVDA. Conflicts of interest usually arise where either:

- there is a potential financial or measurable benefit directly to a Board member or indirectly through a connected person²; or
- a Board member's duty to the Charity may compete with a duty or loyalty they owe another person or organisation.

Benefits could include, for example:

- Payment to a Board member as an employee, consultant or advisor
- Payment to a Board member or a connected person or organisation for providing a service
- A grant to a Board member or a connected person or organisation
- Lease of assets from a Board member or a connected person or organisation.

Trustees can only benefit from a Charity where explicit authority has been obtained **in advance**, either from a clause in the governing document, through statutory provision, the Courts or the Charity Commission.

MVDA's Memorandum of Association prohibits the engagement and payment of members of the Board (4.11) as agents of the Charity and the remuneration of members of the Board (5.2).

It also provides for the payment of interest on loans and rent for premises let by any member of the Charity, provided "that no director or member of the Board receive any remuneration or be interested in the supply of work or goods at the cost of the Charity". (5.1)

Conflicts of loyalty may arise between the best interests of MVDA and those of another organisation, such as a Board member's employer or the organisation that nominated them for election to the Board of MVDA.

2.2 Procedures for managing conflict of interests

Prospective Board members will be invited to discuss potential conflicts of interest with the Chair and CEO at the nomination stage. This will enable a view to be taken by both parties as to whether any such conflicts are so serious as to make appointment to the Board inadvisable.

Upon appointment each Board member will make a full, written disclosure of interests, such as relationships and posts held that could potentially result in a conflict of interest. This will be kept in the Register of Interests and will be updated annually or as necessary.

² A connected person can be a member of the trustee's family or household, a friend, or a person or body who is a business associate

All Board meetings will have conflict of interest on the agenda. In the course of meetings, Board members will disclose any interests in a transaction or decision where there may be a conflict between MVDA's best interests and the Board member's interest or between the best interests of two organisations in which the Board member is involved. If in doubt the potential conflict should be declared and clarification sought.

The responsibility for declaring an interest in any item at the earliest possible opportunity, for withdrawal from the meeting room and not improperly influencing a decision rests with each individual Board member.

The Chair and CEO will review the Register of Interest when setting meeting agendas to ensure there is no obvious conflict of interest that would preclude individual members from receiving papers on an agenda item. The Chair will discuss any clear conflict of interest with the Board member concerned.

All Board members are also responsible for being aware of potential conflicts of interest arising from time to time and will inform the Chair of these in advance of a Board meeting in case they should be excluded from receiving papers on the issue. If any member fails to declare an interest that is known to the Chair and/or CEO, then they will declare that interest.

To eliminate the potential for a serious conflict of interest to influence decision-making, the trustees may consider removal of the conflict of interest as the best way of protecting the Charity's interests. In practice this may include measures such as deciding against a particular course of action or securing the resignation of a trustee with a conflict of interest.

In the case of a conflict of interest arising for a Board member because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the Memorandum or Articles, the unaffected Board members may authorise such a conflict of interest where the following conditions apply:

- The Charity Commission's permission is sought before a benefit for a Board member may be authorised.
- The Board member who has declared the conflict of interest withdraws from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person.
- The Board member who has the conflict of interest does not vote on any such matter and is not counted for the purposes of a quorum.
- The other Board members consider it is in MVDA's interests to authorise the conflict of interest in the circumstances.
- Any such disclosure and subsequent actions taken will be noted in the minutes.

For all other potential conflicts of interest the advice of the Charity Commission will be sought and the advice recorded in the minutes. All steps taken to follow the advice will be recorded.

3. Employees and volunteers

Staff are employed and volunteers recruited to serve MVDA's interests. Organisations and bodies with which staff and volunteers are associated in a personal capacity should not benefit from this employment or volunteering, other than the benefits that all, or significant groups of VCOs can receive from MVDA and its work. All employees and volunteers should be alert to possible conflicts of interest that might occur in a situation when their private interests may benefit from their public or work actions.

3.1 Identifying conflicts of interest

Conflicts of interest may come in a number of different forms:

- Direct financial benefit, such as the award of a contract or grant to an organisation in which the employee or volunteer has an interest
- Indirect financial gain through MVDA's employment of a connected person
- Where an employee or volunteer is a Board member of another organisation that is competing for the same funding as MVDA
- Being part of an MVDA recruitment panel and connected to one of the candidates
- Where someone employed by two organisations has divided loyalties

3.2 Responsibilities of employees and volunteers

MVDA is committed to developing and maintaining a culture of openness, honesty and accountability, and all employees and volunteers bear the responsibility of striving to be as transparent as possible. All employees and volunteers have the responsibility to inform the CEO or their line manager as soon as a conflict of interest is identified.

Employees will not be involved in Board decisions about their remuneration or other benefits they receive.

Employees must not hold Management Committee¹ positions with VCOs active in MVDA's area of benefit, without the prior agreement of the CEO.

Employees must not be concerned or interested in any other business or activity of a similar nature to or competitive with that carried on by MVDA.

Employees or volunteers may not accept any gratuitous payment, service or gift from any other party doing or seeking to do business with MVDA.

All offers of gifts will be politely declined unless this is likely to cause offence. All gifts, however trivial, will be reported to the line manager.

Employees must devote the whole of their time, attention and abilities during their hours of work to their MVDA duties. They must not undertake, directly or indirectly, any other duties during their hours of work without the previous authority of the CEO.

¹ Includes the role of Charity Trustee or Company Director

3.3 Procedures for managing conflict of interests

Prior to appointment, potential employees will be asked to identify any relationships or (paid or voluntary) posts held that could constitute a conflict of interest with a role at MVDA. The CEO will discuss any conflict of interests with the Chair with a view to removing the conflict. This may result in an offer of appointment being subject to measures such as:

- resignation from a role on the management committee of an organisation that is an MVDA service user or member
- agreement not to undertake in a private capacity paid work for an organisation that is an MVDA service user or member.

Employees and volunteers should withdraw from any decision making where there is a conflict of interest. Conflicts of interest declared by staff and volunteers at meetings will be recorded in the minutes of the meeting with details of any action taken.

4. The Register of interests

All Board members, staff and volunteers on election, co-option or appointment are required to list in a Register all relevant interests that might influence their judgement or which could be perceived (by a reasonable member of the public) to do so.

The CEO will arrange for the annual updating of Register entries, but it is the responsibility of all Board members, staff and volunteers to notify the CEO of all updates as and when they arise.

The CEO and Chair will be responsible for bringing details of any contracts/agreements to be entered into to Board meetings and for identifying any potential conflicts of interest through the Register. The information provided will be processed in accordance with principles as set out in current data protection law. Data will be processed only to ensure that trustees and staff act in the best interests of MVDA. The information provided will not be used for any other purpose.

5. Representation

Board members, staff and volunteers attending meetings and conferences on behalf of MVDA should at all times act and speak in the best interests of MVDA, following agreed policy.

Board members, staff and volunteers attending meetings and conferences in a personal capacity, or on behalf of another organisation, may at times be able usefully to support the best interests of MVDA. In such circumstances they should make it clear in which capacity they are acting.

Board members and staff who may be placed in any conflict of interest while attending meetings and conferences should discuss their concerns at the earliest possible opportunity with the Chair or the CEO.