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# Conflicts of Interest Policy

## Purpose of this policy

The people who work and volunteer for Healthwatch Sutton have an obligation to act in the best interests of the organisation and in accordance with the Memorandum and Articles and the organisation’s policies.

Conflicts of Interests may arise where an individual’s business, personal or family interests and/or loyalties conflict with those of the organisation.

Some conflicts may create problems. They can:

* Inhibit free discussion
* Result in decisions or actions that are not in the interests of the organisation
* Risk the impression that the organisation has acted improperly

The aim of this policy is to protect both the organisation and the individuals from any appearance of impropriety.

### 1.1 Definition of a conflict of interest and examples

The [Charity Commission’s guidance](https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees) identifies two kinds of conflicts of interest.

In the first kind, “there is a potential financial or measurable benefit directly to a trustee, or indirectly through a connected person”. This might arise where a trustee, or someone associated with them, is paid for providing goods or services to the charity, or receives some other material benefit.

In the second kind, the trustee’s decision making could be affected by their loyalty to other organisations or individuals. The Charity Commission provides the following examples and comment:

* “the body that appointed them to the charity
* the membership or section of the charity that appointed them to trusteeship
* another organisation, such as their employer
* another charity of which they are a trustee
* a member of their family
* another connected person or organisation

Some conflicts of loyalty arise because a trustee has a competing legal obligation or duty to another organisation or person. Others result from conflicting loyalties which trustees owe or may feel towards family, friends or other people or organisations who are part of the trustee’s network. A conflict of loyalty could also arise where the religious, political or personal views of a trustee could interfere with the ability of the trustee to decide the issue only in the best interests of the charity.”

## Declaration of interests

All staff, directors and volunteers are asked to declare their interests, and any gifts or hospitality received in connection with their role. A [declaration of interests form](#_Appendix_2:_Conflicts) is provided for this purpose, listing the types of interest to be declared.

The declaration of interests register must be updated at annual intervals and also when any changes occur.

When in doubt as to whether a declaration needs to be updated, err on the side of caution. The Chief Executive and the Chair are able to offer confidential guidance. Interests will be recorded on the register of interests, which will be maintained by the Chief Executive. The register will be publicly available on the organisation’s website.

Non-disclosure of a possible conflict of interests could result in disciplinary action against staff, including dismissal, the removal of a trustee from the board or the termination of a volunteer.

## Data protection

The information provided will be processed in accordance with data protection principles as set out in the Healthwatch Sutton [Data Protection Policy](#_Data_Protection_Policy). Data will be processed only to ensure that all staff, directors and volunteers act in the best interests of the organisation. The information provided will not be used for any other purpose.

## What to do when there is a conflict of interest

If you become aware of any involvement in a discussion or decision affecting HWS which presents you or anyone else with a possible conflict of interest, you should inform the Chair of Trustees or Chief Executive at the first opportunity. If the discussion or decision-making involves potential benefit to you or to a member of your family or an organisation you belong to, you should withdraw from any subsequent discussion.

### Trustees

Conflicted trustees may not vote on matters affecting their own interests or those of a member of staff with whom they have a close relationship (such as when the member of staff is a relative or partner). They must absent themselves from the discussion or may participate in the discussion but not in the decision-making process at the discretion of the Chair.

If you fail to declare an interest that is known to the Chair, the Chair will declare that interest.

In the event of the Board of Directors having to decide upon a question in which a Director or a member of staff has an interest, all decisions will be made by a vote, with a simple majority required. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate. Interested members may not vote on matters affecting their own interests and may be asked to leave the meeting while the issue is discussed.

All decisions upon a conflict of interest will be recorded by the Company Secretary and reported in the minutes of the meeting. The report will record:

* The nature and extent of the conflict
* An outline of the discussion
* The actions taken to manage the conflict

Where there are director benefits from the decision, this will be reported in the Annual Reports and accounts in accordance with [SORP (FRS 102) 2015.](http://www.charitysorp.org/download-a-full-sorp/)

### Staff

Staff should not be involved in Board decisions that directly affect the service that they, or any person they care for, receive(s). Staff should declare their interest at the earliest opportunity and withdraw from any subsequent decision. The same applies if staff face a conflict for any other reason. They may, however, participate in decisions from which they may indirectly benefit, for example where the benefits are universal to all users, or where the benefit is minimal.

## Managing contracts

Anyone with a conflict of interest must not be involved in managing or monitoring a contract in which they have an interest. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

# Conflicts of Interest Declaration

Please complete the form, writing “none” where applicable.

|  |  |  |
| --- | --- | --- |
| **1** | **Name** |  |
| **2** | **Job Title or Role** |  |
| **3** | Other employment(s), office(s), trade(s), profession(s) or vocation(s) which could constitute a conflict of interest. |  |
| **4** | Details of employment(s), office(s), trade(s), profession(s) or vocation(s) **of any immediate family\*** which could constitute a conflict of interest. |  |
| **5** | Details of contracts between Healthwatch Sutton and yourself, your spouse, your partner, or any Company mentioned in the next heading |  |
| **6** | Details of substantial Interests in Trading Companies  **Note:**  Please list any substantial shareholdings (over 5%) of the issued share capital or in excess of £25,000 nominal value) shareholdings, or directorships of self, spouse or partner. Note that the actual amount of any shareholding need not be disclosed, only the name of the Company. |  |
| **7** | Names of any body, charity, association or organisation of which you are a member or officer.  **Note:**  Do not list national charities or organisations with no specific connections to Healthwatch Sutton unless you or your spouse or partner is an officer or you consider that they are likely to have dealings with Healthwatch Sutton. |  |
| **8** | Names of any body, charity, association or organisation of which your spouse, partner or person living at the same address as you are a member or officer.  **Note:**  Do not list national charities or organisations with no specific connections to Healthwatch Sutton unless you or your spouse or partner is an officer or you consider that they are likely to have dealings with Healthwatch Sutton at any point in time. |  |
| * **9** | * Names of immediate family\* or names of individuals known to you or members of your immediate family, who are also employed by, or are trustees or volunteers of Community Action Sutton. |  |
| **\*Note:**  A member of one’s immediate family means:   * A Spouse or Civil Partner. * A child, grandchild, parent, grandparent, brother, sister, uncle, aunt, nephew, niece, cousins, or the spouse of any such person. * A person having a step relationship described above. * Parents-in-law, brothers- or sisters-in-law, sons- or daughters-in-law. * Any other person who resides in the same household as you. | | |
| **I certify that the information I have provided above, under the appropriate headings (including where I h­ave indicated “none” where no such interests exist under that particular heading), is true, to the best of my knowledge, and I understand that any deliberate misrepresentation of information on this form may be grounds for denial of appointment or employment or immediate dismissal or disciplinary action.** | | |
| **10** | **Signature** |  |
| **11** | **Date** |  |