



Group Conflict of Interest Policy

POLICY IMPLEMENTATION CHECKLIST	
Policy Guardian:	Director of Finance & Governance
Author:	Director of Finance & Governance
Version number:	2.1
Approved by Chief Executive on:	April 2016
Governing Body Approved:	April 2016
Effective from:	April 2016
Date of Last Review:	April 2019
Date of Next Review:	April 2022
Diversity compliant:	Yes
Equality Impact Assessment required:	No
Data Protection compliant:	Yes
Health & Safety compliant:	N/A
Procedure implemented:	Yes
QL system changes made:	N/A
KPIs / reporting arrangements implemented:	Yes
Training Completed:	
Posted on intranet:	Yes
Posted on website:	Yes
Publicity material issued:	N/A

This document can also be provided in large print, braille, audio or other non-written format, and in a variety of languages.

Introduction

The Caledonia Group (“the Group) comprises Caledonia, Bellsmyre and Cordale Housing Associations, and their subsidiaries. The Group is committed to the highest standards of conduct, honesty, integrity and probity in the governance of the Group’s members. It is also committed to open communication and accountability in decision-making, both at governing body and operational level.

The Group acknowledges and respects that staff and governing body members alike have, and are entitled to, a private life that extends beyond their employment or involvement with their employing companies. It recognises however, that certain aspects of their private lives can potentially impact on their ability to act in the sole interest of their companies while fulfilling their role as an employee or governing body member. In broad terms, such possible conflicts can arise as a result of the personal, financial or social interests an individual may have.

The purpose of this policy is to clarify circumstances where a conflict of interest may arise; and to summarise the arrangements the Caledonia Group will have in place to ensure real or potential conflicts are actively and appropriately managed.

Relevant Policies and Guidance

This policy should be read in conjunction with the following documents:

Each Group members’ Rules contain detailed provisions relating to the conduct of business at Governing Body meetings. They confirm that governing body members must declare any interest they may have in a contract or matter to be discussed at a meeting; and thereafter not be party to related discussions or decisions.

The Group Standing Orders elaborate on the provisions within the Rules. They clarify the procedure for declaring interests at governing body meetings; and provide guidance on the general circumstances that would warrant such a declaration. They also outline the likely course of action should a governing body or staff member fail to declare relevant interests at governing body meetings; and the procedures and arrangements for recording declarations. The Standing Orders confirm the requirement for governing body members and staff to abide by Codes of Conduct.

The Group Codes of Conduct for Governing Body Members and Staff emphasise the expectations placed upon individuals; and aim to ensure they are aware of the requirement to declare relevant interests.

The Group Governing Body Membership Policy confirms that upon appointment, all new governing body members will be advised of their obligation to declare potential conflicts of interest.

The Group Membership Policy indicates that a significant conflict of interest may constitute a reason for refusing an application from a prospective member; or for stipulating that, although their membership application is approved, it would be inappropriate for such persons to seek nomination and be appointed to the governing body.

General Principles

In determining the Group's general approach to managing potential conflicts of interest the following shall apply:

Governing Body Meetings

Governing body and staff members should not participate in any proceedings where they have a conflict, real or potential, and should withdraw from meetings prior to discussion and decision on relevant matters.

Such conflict can arise by virtue of personal, financial or social interests. This can include, for example:

- membership or involvement with the activities of other organisations, including those who might in any way be considered as competitors of the Group members
- current and past private or business relationships with current, or potential contractors

Services, Supplies and Business Relationships

The Group Procurement Policy is predicated on ensuring all tendering and purchasing activities are carried out in a transparent and impartial way; with all orders and contracts awarded on merit and by fair competition.

As a general rule, no individual governing body or staff member will have any involvement in any contract with any business in which they or someone with whom they are closely connected have a commercial interest or in which they or someone with whom they are closely connected have a direct management interest.

In exceptional cases, where such relationships exists for staff and a close connection of governing body members (but not governing body members themselves), Group members may still enter into business arrangements. In these cases the individuals concerned must have no part in any aspect of the tendering, letting or management of any such contract or piece of business.

As a matter of good governance practice, such situations should be documented and recorded in an appropriate manner.

Personal Gain

Governing body members and staff must ensure that their private or personal interests do not influence decisions and that they do not use their position to obtain personal gain of any sort, either for themselves directly, or someone with whom they are closely connected. The Group Entitlements, Payments and Benefits Policy provides detailed guidance on Payments and Benefits.

Interests Arising from Internal Relationships

The Group members recognise that from time to time personal relationships may develop between members of staff and/or governing body members. It further recognises this may present potential conflict of interests in supervision and line management arrangements, or in presenting potential or future problems in terms of granting of benefits under the Group Entitlements, Payments and Benefits Policy. In such eventualities, whilst not seeking to intrude

into individuals' private lives, the Group expects individuals to voluntarily declare such relationships in order that the Group members can determine what action (if any) it may be appropriate to take to preserve its interests and reputation.

Exceptions

The requirements to declare an interest shall not apply to an interest in a contract or other matter which a governing body or staff member may have:

- as a Council Tax payer or inhabitant of an area or as an ordinary consumer of gas, electricity or water
- by reason only of his/her being a member of a company or other private body if he/she has no beneficial interest in any share in that company or body
- by reason only of his/her holding shares in a private company or other body (excluding a public company) where the nominal value of those shares does not exceed £5,000 or 1% of the total nominal value of the issued share capital of that company, whichever is lower
- by reason only of his/her holding shares in a public company where the nominal value of those shares does not exceed 1% of the total nominal value of the issued share capital of that company.

Monitoring and Recording

Group members shall maintain a Register of governing body and staff members Interests. This shall be updated at least on an annual basis to reflect information gathered through a formal process of requesting all governing body and staff members to declare relevant interests. Notwithstanding this governing body and staff members are expected to declare any new interests as and when they emerge and the register will be updated accordingly. This register shall be available for public inspection.