

# Independent Housing UK Ltd (IHLUK)

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Conflict of Interest Policy

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# Conflict of Interest Policy

## 1. INTRODUCTION

1.1 The Board of IHLUK is committed to high standards of ethical conduct and accordingly places great importance on identifying and declaring any existing or potential conflict of interest for its members and for its employees.

## 2. PURPOSE

2.1 This policy has been developed to provide a framework for:

- all Board Members in declaring conflicts of interest;
- employees of IHLUK and
- the Board, when determining how to deal with such conflicts.

## 3. POLICY

3.1 A conflict of interest may occur if an interest or activity influences or appears to influence the ability of Board Member or employee to exercise objectivity.

3.2 The Board places great importance on making clear any existing or potential conflicts of interest. All such conflicts of interest shall be declared by the member concerned and documented in the organisation's Register of Interests.

3.3 A Board member or employee who believes another Board member or employee has or may have an undeclared conflict of interest should specify in writing the basis of this potential conflict to the Company Secretary.

3.4 Where a Board member has a conflict of interest that Board member shall not initiate or take part in any Board discussion on that topic or transaction (either in the meeting or with other Board members before or after the Board meetings), unless expressly invited to do so by unanimous agreement by all other members present.

3.5 Where a Board member has a conflict of interest that Board member shall not vote on that matter and this shall be recorded in the meeting minutes.

3.6 Board members are not barred from engaging in business dealings with the organisation, provided that these are negotiated at arm's length without the participation of the Board member concerned. Any sums involved or considerations to be paid must be validated by a suitably qualified external advisor, and the relevant valuation or advice added to the Register of Interests.

3.7 Employee who are not Board members must seek permission from the Board to engage in business dealings with the organisation.

3.8 Where on going payments or transactions are involved, these should be declared at least every six months, or more often as appropriate.

## 4. RESPONSIBILITIES

4.1 The Secretary to the Board is responsible for bringing this policy to the attention of prospective Board members and employees. All Board members and employees are responsible for respecting this policy.

## 5. PROCEDURES

5.1 Before a Board Member or employee begins his or her service with the organisation, he or she shall file with the Company Secretary a list of his or her principal external business activities, as well as involvement with other charitable and business organisations, vendors or business interests, or with any other organisations that might produce a conflict of interest, or appear so to do. This information shall be documented in the Register of Interests.

5.2 Further, Members shall declare any conflicts of interest of which they become aware either at the start of the Board meeting concerned or when a relevant issue arises. The nature of this conflict of interest should be entered into the meeting minutes. The interest should also be documented in the Register of Interests.

5.3 Where a conflict of interest or potential conflict of interest, as defined below, is identified and/or registered, the Board member concerned shall leave the room when that item comes up for discussion. The concerned Board member shall not vote on that issue, nor initiate or take part in any Board discussion on that topic (either in the meeting or with other Board members before or after the Board meetings), unless expressly invited to do so by unanimous agreement by all other members present. The Board Member's absence should be recorded in the meeting minutes.

5.4 If a person declares him or herself to have an existing or potential conflict of interest, confidentiality will be respected. If a person alleges that another person has a conflict of interest, whether existing or potential, and that person does not agree, the Board shall be the final arbiter on this matter.

5.5 Employees must declare any actual or potential conflicts to the Company Secretary as soon as they arise.

## 6. DEFINITION

6.1 'Conflict of interest' is defined as applying where a Board member or employee stands to gain financially from any business dealings, transactions, purchases, disposals, programs or services of the organisation, other than where:

- (a) the Board member or employee falls into the class of people benefited by the organisation and the financial gain is of a nature common to other beneficiaries,  
or

(b) the person is an employee of the organisation, and the financial gain is of a nature common to other employees.

6.2 It shall also apply where:

(a) the immediate family or business connections of a Board member or employee stand to gain financially from any business dealings, programs or services of the organisation.

(b) where a Board member, employee or the ex-officio member of the Board has a role on the Board or governing body of another organisation, where the activities of that other body may be in direct conflict or competition with the activities of the charity

6.3 The Board may from time to time review or change its definition of conflict of interest as it sees fit.