



Bournemouth Council for Voluntary Service

Registered Charity No: 1081381 - Company Reg'd in England & Wales No: 4024662

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CONFLICT OF INTEREST, GIFTS AND BRIBERY POLICY

This policy applies to Trustees and Staff and should be read in conjunction with the declaration of interests form.

1. Why we have a policy

1.1 Trustees have a legal obligation to act in the best interests of BCVS and in accordance with its governing document, and to avoid situations where there may be an actual or potential conflict of interest. The acceptance of gifts might create a sense of obligation, or be seen as a bribe (an offence under the Bribery Act 2010). Staff and volunteers have similar obligations.

1.2 Conflicts of interests may arise where an individual's personal, professional or family interests and/or loyalties conflict with those of BCVS. Such conflicts may create problems; they can:

- Inhibit free discussion
- Result in decisions or actions that are not in the best interests of BCVS
- Risk giving the impression that BCVS has acted improperly.

1.3 As well as actual conflicts of interest trustees, staff and volunteers should also be aware of perceptions of conflict of interest or the influence a gift may have on decision making.

1.4 Therefore this policy is to protect the integrity of BCVS's decision making process, to enable stakeholders to have confidence in the organisation's integrity, and to project the integrity and reputation of volunteers, staff and trustees.

2. What is a conflict of interest?

2.1 Relevant interest may be financial or non-financial; direct or indirect (e.g. a benefit to a close family member or business partner, that is a connected person). For instance:

- Personal / family relationships with paid staff and volunteers or possible recruitment of any person known to the trustee/employee or family member.
- Receiving any gifts or hospitality from any person or organisation connected to BCVS
- A trustee renting property or lending money to BCVS

- Any relationships with other groups that will affect a role as trustee or employee – if you are a member of another organisation there may be a conflict, particularly if both organisations work in Bournemouth or have the same client/user groups.
- Being a councillor, employee or board member of an organisation that BCVS may approach for funding or who is currently providing funding for BCVS.
- A trustee/employee learns of an opportunity which BCVS may or may not wish to exploit but which he/she wishes to take advantage of themselves or on behalf of another group.

2.2 A conflict of loyalty exists when a trustee/employee does not gain any direct or indirect benefit from a decision but their decision making could be influenced by his or her other interests. For example:

- A trustee's employer
- Being the trustee/committee member of another organisation
- A part-time employee's other employer
- A member of their family
- Another connected person or organisation.

The test is always that there is a conflict of interest if the person's other interests could, or could be seen to, interfere with making a decision in the best interests of BCVS. Some conflicts of loyalty arise because of a competing legal obligation or duty to another organisation or person. Others result from conflicting loyalties which people owe or may feel towards family, friends or other people. 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 only in the best interest of BCVS.

3. Declaring Interests

- 3.1 All Trustees and staff must declare their interests, and any gifts or hospitality (worth over £25) received in connection with their role with BCVS. A declaration of interests form is provided for this purpose, listing the types of interest you should declare.
- 3.2 Prospective trustees will be asked to complete a declaration form before joining the Board of Trustees which will be circulated to all Board members (if appointed by the Board) or voting members (if to be appointed at an AGM). The Chair and Chief Executive will make a recommendation to the appropriate appointing body as to whether they consider that there may be a serious or frequent conflict of interest and therefore the person should not be appointed. If appointed then their form will be reviewed each year (responsibility for this will lie with the Chief Executive).
- 3.3 Staff are required to complete a declaration form when they join BCVS and to review it each year (responsibility for this will lie with the line managers of staff members).

- 3.4 Interests will be recorded on the charity's register of interests, which will be maintained by the Chief Executive. The register will be accessible by application in writing to the Chair of Trustees.
- 3.5 Trustees and staff that become aware of a new, actual or potential, conflict of interest should give notice of it to the Chief Executive to enable him/her to update the Conflicts Register.
- 3.6 Each meeting of the Board of Trustees will have as its first item of business 'Declaration of Interests'. Trustees shall declare any actual or potential conflict of interest and loyalty with specific Agenda items. The Chief Executive should also declare any potential conflicts with agenda items identified from a check of the register. All such declarations shall be minuted.
- 3.7 If a trustee is aware of, or thinks there may be, a conflict of interest for another trustee they should raise it with the Chair as soon as possible.
- 3.8 If you are not sure what to declare, or whether/when your declaration needs to be updated, please err on the side of caution. If you would like to discuss this issue, staff should contact the Chief Executive and trustees the Chair for confidential guidance.

4. Data Protection

- 4.1 The information provided on conflicts of interest will be processed in accordance with data protection principles are set out in the Data Protection Act 1998. Data will be processed only to ensure that Trustees and Staff act in the best interests of the charity. The information provided will not be used for any other purpose.

5. What to do if you face a conflict of interest

- 5.1 If there is a situation which could be a long term and serious conflict Trustees should discuss this with the Chair and staff with the Chief Executive as soon as possible. The option of resignation should be considered as the most appropriate way to remove the conflict.
- 5.2 Any Trustee, who has a financial interest in a matter or discussion, should declare the nature of his/her interest and withdraw from that part of a meeting that is considering that item.
- 5.3 If a Trustee has any interest in the matter under discussion, which creates a real danger of bias, that is, the interest affects him/her, or a member of his/her household, more than the generality affected by the decision, he/she must declare the nature of the interest and withdraw from that part of a meeting that is considering that item.

- 5.4 If a Trustee has any other actual or potential interest which is not a direct or indirect financial interest which might reasonably cause others to think it could influence their decision, he/she should declare the nature of the interest. The other trustees can authorise the trustee, by a simple majority vote, to remain in the room, participate in the discussion and vote if so wished. Trustees should only authorise a conflicted trustee to remain if they are satisfied that it is in the best interests of the BCVS to do so e.g. the trustee has valuable knowledge and there would be little influence on the trustees ability to make decisions in the best interest of BCVS.
- 5.5 A Trustee may, however, participate in discussion from which he/she may indirectly benefit, for example, where the benefits are universal to all users, or where the benefit is minimal.
- 5.6 If in any doubt about the application of these rules, Trustees should consult with the Chair.
- 5.7 Any withdrawal should be minuted and if the trustees vote to authorise a trustee to remain in a meeting this should be minuted with an explanation.

6. Decisions taken where a Trustee or member of staff has an interest

- 6.1 In the event of the Board having to decide upon a question in which a Trustee or a member of staff has an interest, all decisions will be made by 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 Board members may not vote on matters affecting their own interests.

7. Recording Disclosures of Interest

- 7.1 All decisions regarding a conflict of interest will be recorded by and reported in the minutes of the meeting. The report will record:
- The nature and extent of the conflict
 - Which trustees/staff were affected
 - Whether any conflicts of interest were declared in advance
 - An outline of the discussion
 - Whether anyone withdrew from the discussion
 - How the trustees took the decision in the best interests of BCVS
- 7.2 Where a Trustee (including a connected person) benefits from the decision, this will be reported in the annual report and accounts in accordance with SORP. Where a member of BCVS's staff is connected to a party involved in the supply of a service or product, this information will also be fully disclosed in the annual report and accounts.

7. Managing Contracts

- 7.1 If you have a conflict of interest you must not be involved in managing or monitoring a contract in which you 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.

8. Gifts and bribery

- 8.1 Trustees and staff must decline any offers of gifts, hospitality or entertainment which might create a sense of obligation. The test should be whether a fair-minded member of the public, knowing all the facts, would see anything improper or suspicious in the receipt or offer of a gift, hospitality or entertainment. In circumstances where the offer of the gift, hospitality or entertainment is not deemed to create a sense of obligation, then casual gifts may be accepted up to the value of £25. Any unsolicited gifts received with a value in excess of £25 must be reported to the Chief Executive or Chair of trustees.
- 8.2 As an incorporated charity, BCVS is covered by the Bribery Act 2010 which came into effect on 1 July 2011. Under the Act it is an offence for BCVS to:
- Pay bribes: to offer or give a financial or other advantage with the intention of inducing that person to perform a relevant function or activity improperly or to reward that person for doing so.
 - Receive bribes: to receive a financial or other advantage intending that a relevant function or activity should be performed improperly as a result.
 - Fail to prevent bribery: an organisation is guilty of an offence if an associated person, i.e. someone who performs services on behalf of the organisation, bribes another person intending to obtain or retain business or a business advantage.

“Relevant function or activity” includes any function of a public nature and any activity connected with a business. The employee performing the activity is required to perform it in good faith or impartially or be in a position of trust. Conviction under the Act is punishable by imprisonment for a maximum term of 10 years.

- 8.3 Therefore:
- Offering or receiving a bribe will be viewed as gross misconduct
 - BCVS expects staff and trustees to report any suspicions of bribery
 - Reporting suspicions of bribery will be covered by the BVCS Whistleblowing Policy
- 8.4 The main area of BCVS activity where an accusation of bribery might arise is the giving and receiving of hospitality. Most routine hospitality is unlikely to be a breach of the Act, but disproportionate hospitality might be, and if

there is any doubt about the proportionality of hospitality, this should be cleared with the Chief Executive or Chair of trustees beforehand.

Date: 11/12/14

Signed:  

Chair of BCVS Board

Chief Executive BCVS

Policy agreed: December 2014

Reviewed: 2019