

Policy Name	Conflicts of Interest
Version No.	3.0
Approval Date	September 2021
Category	Corporate
Classification	Public

<b>CONFLICTS OF INTEREST POLICY</b>	
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### Version Control

Version	Date	Description	Updated By	Approved By
2.2	March 2019	Final Policy	Company Secretary	Board
3.0	September 2021	Comprehensive review of content	Compliance and Risk Manager & DoG&C	

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## 1. Policy Purpose & Aim

- 1.1 ExtraCare is committed to ensuring transparency in its governance practices and supports compliance with the NHF Code of Governance 2020 and regulatory requirements set out by the Charity Commission.
- 1.2 The purpose of this policy is to ensure that Conflicts of Interest are declared and managed to mitigate any compromise to ExtraCare's integrity and reputation. The policy seeks to ensure that conflicts of interest do not result in decisions or actions that are not in the best interests of ExtraCare. This policy sets out ExtraCare's approach to declaring and managing actual, perceived and potential conflicts of interest.
- 1.3 A conflict of interest is a set of circumstances that creates a risk that an individual's ability to apply judgement or act in a role, is, or could be impaired or influenced by a secondary interest. It can occur in any situation where an individual or organisation is able to, or could be perceived to be able to, exploit a professional or official role for personal or other benefit. The perception of competing interests, impaired judgement or undue influence can also be a conflict of interest.
- 1.4 Conflicts might occur if individuals have, for example:
- a direct or indirect financial interest;
  - non-financial or personal interests; or
  - conflicts of loyalty where decision-makers have competing loyalties between an organisation they owe a primary duty to and some other person or entity.

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## 2. Objectives

- 2.1 The objective of this policy is to ensure that all actual, perceived and potential conflicts of interest are declared and managed appropriately to:
- Prevent judgement being influenced by factors not in the best interests of ExtraCare;
  - Meet legislative and regulatory requirements;
  - Ensure good corporate governance;
  - Mitigate risk, in particular reputational risk; and
  - Encourage transparency in line with our ExtraCare values.

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2.2 The supporting appendices and guidance are designed to ensure that Trustees, staff and volunteers know what they need to declare, and that line management understand their responsibilities for managing the conflict.

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### 3. Scope of Policy

3.1 This policy applies to all ExtraCare Trustees, ExtraCare Retail Limited Board members, employees, and volunteers. For the avoidance of doubt, contractual benefits received by employees as part of their terms and conditions of employment are not covered by this policy.

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### 4. Responsibilities

Board of Trustees and Retail Board Directors	<ul style="list-style-type: none"> <li>• Approve the Conflicts of Interest Policy;</li> <li>• Declare any interests upon appointment, annually and upon change.</li> <li>• Declare any conflicts of interest at the start of Board and/or Committee meetings where there is a personal interest in a matter to be discussed or determined at that meeting;</li> <li>• Manage all declared conflicts of interest appropriately; and</li> <li>• Approve the publication of the Trustee Register of interests annually.</li> </ul>
Director of Governance and Compliance (Company Secretary)	<ul style="list-style-type: none"> <li>• Ensure conflicts of interest are declared and minuted: <ul style="list-style-type: none"> <li>○ at Board and Committee meetings; and</li> <li>○ on appointment, annually and where there are changes;</li> </ul> </li> <li>• To ensure all Trustee interests are entered and published on the Trustee Register of Interests; and</li> <li>• To ensure that all staff declared interests are entered on the staff Register of Interests.</li> <li>• To ensure that all volunteer interests are registered on the volunteer Register of Interests</li> </ul>
HR Team	<ul style="list-style-type: none"> <li>• Ensure that new employees are recruited to declare interests upon appointment; and</li> <li>• Ensure any declared conflicts are advised to: <ul style="list-style-type: none"> <li>○ Line managers – to allow for management of the conflict; and</li> <li>○ Governance team – to allow for update of the staff Register of Interests.</li> </ul> </li> </ul>

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Procurement team	<ul style="list-style-type: none"> <li>• Ensure that declarations of interest are sought from suppliers as part of any tendering/contracting process.</li> <li>• Ensure that any conflicting interests are managed as part of the procurement process; and</li> <li>• Advise the Governance team in order that the information can be cross-checked to the staff or Trustee Register of Interests.</li> </ul>
Managers (including ELT and SMT)	<ul style="list-style-type: none"> <li>• Declare any interests on appointment, annually and upon change. Any new interest or change must be declared promptly (within 28 days of arising);</li> <li>• Perform an annual briefing to teams on conflicts of interest;</li> <li>• Appropriately manage all employee and volunteer declared conflicts of interest; and</li> <li>• Ensure the Governance Team are aware of any team (employee and volunteer) declared interests and how these are managed.</li> </ul>
All employees	<ul style="list-style-type: none"> <li>• Declare any interests on appointment and upon change. Any new interest or change must be declared promptly (within 28 days of arising);</li> <li>• Agree how any conflict of interest will be managed with their line manager; and</li> <li>• Non-managerial employees do not need to complete an annual declaration.</li> </ul>
Volunteer Coordinators	<ul style="list-style-type: none"> <li>• Include Conflicts of Interest in Volunteer induction;</li> <li>• Inform, and forward the declaration of interest form, to the relevant manager.</li> </ul>

## 5. Monitoring & Review

- 5.1 The application of this policy is supported by additional guidance contained in the relevant declarations and an annual briefing is prepared for managers to provide a consistent message to staff. This policy and supporting documentation will be available on Sharepoint and the policy and relevant Trustee documentation will be available on BoardPacks.

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- 5.2 All declared interests will be entered on the Registers of Interests maintained by the Governance team.
- The Trustee Register of Interests will be presented to the Board and published annually; and
  - The Employee Register of Interests will include confirmation from line managers that any declared interests are being managed.
- 5.3 Declarations of Interests will be shared with managers and ELT where appropriate.
- 5.4 This policy will be reviewed every three years. Updates may be made between review dates to respond to changes in guidance or to consider learnings from incidents.

## 6. Risk Management

- 6.1 It is a legal and regulatory requirement to declare conflicts of interest and any interests declared must be managed appropriately. Compliance with this policy mitigates risks which may be presented by ensuring conflicts of interest are declared and appropriately managed. Failure by staff to adhere to this policy may result in disciplinary action.

## 7. Statement of Commitment

- 7.1 ExtraCare is committed to ensuring that it meets the highest standards of probity and conduct, and that Board, Committee, ELT, staff and volunteer decisions are properly taken in the best interests of ExtraCare.
- 7.2 ExtraCare recognises that its aims are at the core of its vision of “Better lives for older people”. This policy aligns with our value of transparency.
- 7.3 ExtraCare commits to ensuring that Trustees and staff have clear guidance on declaring conflicts or potential conflicts and that those conflicts are managed and published appropriately.

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## 8. Additional Arrangements

### 8.1 Conflicts of Interest - definitions

8.1.1 A conflict of interest are circumstances that may risk an individual's ability to apply judgement or act in the capacity of their role as they may be impaired or influenced by a secondary interest. It can occur in any situation where an individual could use their role for personal or other benefit. A perception of competing interests, impaired judgement or undue influence is also regarded as a conflict because if others perceive there to be an interest this may be damaging to ExtraCare.

8.1.2 A conflict of interest may be:

- Actual – there is a material conflict between one or more interests; or
- Potential – there is a possibility of a material conflict between one or more interests which may occur in the future.

8.1.3 Interests fall into the following categories:

- **Financial Interests** - an individual may obtain direct financial benefit from the consequences of a decision they are involved in making;
- **Non-financial interests or personal interests** – no financial benefit is received but an intangible benefit or kudos arises due to the individual being influenced by external factors;
- **Indirect Interests** – an individual has a close association with another individual who has a financial interest or a non-financial interest; and/or
- **Conflicts of Loyalty** – an individual may have competing loyalties between ExtraCare and some other person or entity.

8.1.4 Examples which may apply at ExtraCare (and potential ways to manage the conflict) are shown below. The examples and options are not exhaustive and shown for illustrative purposes:

Conflict	Options to manage conflict
Buying goods/services from a supplier with whom there is a personal relationship.	Withdraw from the procurement and refer to a colleague.  Buy from another supplier.

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A family member seeking to move into an ExtraCare rental or leasehold property.	Withdraw from application processes and refer to a colleague.  Levy and collection of resident charges to be undertaken by a colleague.
Personal relationships e.g. family members working at ExtraCare.	Withdraw from any recruitment and selection process.  Line management undertaken by another person (including PDRs, approving expenses etc).

## 8.2. Identification and Declaration of Interests

8.2.1 Trustees and staff should identify and declare interests at the earliest opportunity. Where in doubt as to whether something is an interest to be declared or not it should be declared to be considered to ensure that all interests and perceived interests can be properly recorded and managed appropriately.

8.2.2

<b>Declarations should be made:</b>	<b>By Whom:</b>
Upon appointment to ExtraCare.	Trustees and all Staff
On induction if a conflict exists.	Volunteers
As soon as circumstances change where new interests may arise or where a previous conflict has ended.	All
Annually on request from the Governance team.	Trustees, Retail Board Directors and Managers
At each Board or Committee meeting if relevant.	Trustees and Retail Board members only



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- 8.2.3 Trustees/Board Directors should declare any interest using the Trustee Declaration of Interest form; staff should declare any interests using the Employee Declaration of Interest form; and volunteers should use the Volunteer Conflict of Interest form (*under development*). If there are no conflicts of interest to declare staff and volunteers should still complete the relevant form to provide confirmation that there are no conflicts of interest.
- 8.2.4 An annual declaration is required from Trustees and managers. The Governance team may request that the annual managers declaration is completed electronically, for instance by Survey Monkey. This will contain the same information as the hard copy form.
- 8.2.5 Where interests are declared on appointment or directly to HR, any manager, or volunteer coordinator, a copy of these should be emailed to the dedicated mailbox. This mailbox is also to be used for the annual manager declaration of interest process.  
[declarations\\_of\\_interest@extracare.org.uk](mailto:declarations_of_interest@extracare.org.uk)

### 8.3 Register of Interests

- 8.3.1 All declared declarations of interest will be entered on the ExtraCare Register of Interests which will be separately analysed to distinguish between staff and Trustees. The Governance team will maintain the Register of Interests.
- 8.3.2 The Trustee Register of Interests will be presented to the Trust Board for approval and published annually.
- 8.3.3 Relevant content from the Register of Interests will be provided to managers in order that they can manage any declared interests within their team.
- 8.3.4 The information held on the Register of Interests is subject to the provisions of the Data Protection Act 2018, which incorporates the EU General Data Protection Regulation (GDPR). The information provided on Conflicts of Interest declarations will be processed in accordance with the Data Protection Act 2018 and will only be processed to ensure that all those to whom this policy applies to act in the best interests of ExtraCare. Every effort will be made to ensure data is accurate and up to date and appropriate measures will be in place to ensure that data is not unlawfully processed, lost or damaged. The information will not be used for any other purpose.

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- 8.3.5 It is good governance and supports the values of being open and transparent to publish the Trustee register of interests. It is also a requirement of the NHF Code of Governance 2020. When publishing the Trustee Register of Interests, consideration will be given to special category and sensitive data. This will not be published unless freely given, specific and informed consent has been given.

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## 8.4 Managing Trustee/Director Declared Interests

- 8.4.1 Conflicts of interest should be recorded and minuted at the start of every Board or Committee meeting. Where there are no conflicts this should also be recorded.
- 8.4.2 If a Trustee or Director has an actual or perceived conflict of interest relevant to any Board or Committee discussion they should withdraw from those discussions where the Trustee/Director is conflicted unless expressly invited to remain in order to provide information. Where invited to remain the Trustee may not participate or influence the decision.
- 8.4.3 There may be instances where minutes or documents relating to the conflict may cause further conflict if issued to the Trustee/Director. The Company Secretary will take care to ensure that minutes or documents relating to the item presenting a conflict are appropriately redacted if necessary. However, in doing this, the Company Secretary will take care to ensure that a balance is maintained where the conflicted person still receives sufficient information about ExtraCare activities without disclosing sensitive information which could place the individual in an untenable position.
- 8.4.4 There may be instances where a conflict has been declared but:
- There is minimal direct or indirect benefit; or
  - Benefit is universal to other Board members; or
  - ExtraCare will benefit from the Trustee/Director's participation.

In such instances the Chair may agree full participation which should be minuted accordingly.

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## 8.5 Managing Staff and Volunteer Declared Interests

- 8.5.1 Line managers will be notified of any staff declared interests by either HR (when declared upon appointment) or the Governance team (annual manager declaration of interest process or where a new interest is declared) or they will have received the Declaration of Interest from their member of staff directly.
- 8.5.2 Line managers will be notified of any volunteer conflicts of interest by either the Volunteer Coordinator when declared during induction, or by the volunteer where the volunteer declares a new or changed conflict of interest directly.
- 8.5.3 If a manager receives a declaration of interest directly from a member of their staff, or volunteer they must ensure this has also been declared to the Governance team by forwarding a copy of the relevant declaration of interest form to:  
[declarations\\_of\\_interest@extracare.org.uk](mailto:declarations_of_interest@extracare.org.uk)
- 8.5.4 Where an individual has declared an interest the immediate line manager must determine whether any action is warranted. Guidance to support management of any conflicts is included on the Managing Declared Conflicts of Interest form at. If there is no risk of a conflict of interest arising then no action is necessary, but this must also be recorded on the form.
- 8.5.5 Where action is warranted then the manager should decide on the appropriate action to take. It is expected that managers manage interests sensibly and proportionately and review their actions at appropriate intervals. If required, guidance on managing the conflict can be sought from the Governance team.
- 8.5.6 Examples of actions that could be taken include:
- Restricting staff involvement in discussion associated with the conflict and excluding them from decision making on that matter;
  - Restricting an individual from supervising a volunteer who is a relative or a close connection;
  - Removing responsibility for a specific conflicted area of work;
  - Ensuring segregation of duties to remove a conflict;
  - Ensuring an individual does not act as a relative's or close connection's supervisor; and/or
  - Not allowing an individual to use or attempt to use their position to promote their personal business or use ExtraCare equipment and/or working time to carry out any activities relating to their personal business.

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All actions should be recorded on the Managing Conflicts of Interest form and reviewed at appropriate intervals. A copy of this form should be sent to the Governance Team for update onto the staff Register of Interests,

- 8.5.7 Completed Managing Conflicts of Interest forms should also be retained on staff and volunteer personnel files – for location staff these are held locally, for Head Office these are held by the HR Team. Where a manager is leaving the manager must include any relevant declarations of interest and forms for managing the declarations in their handover.

## 9. Other Relevant ExtraCare Policies and Documents

<b>General</b>	<ul style="list-style-type: none"> <li>• Articles of Association</li> <li>• NHF Code of Governance 2020</li> <li>• Standing Orders</li> <li>• Board and Committee Terms of Reference</li> <li>• Trustee and Retail Board Director Role Descriptions</li> <li>• Financial Regulations</li> <li>• Procurement Policy</li> <li>• Volunteering Strategy and Policy</li> <li>• Risk Management Policy</li> <li>• Anti-Fraud, Theft and Financial Irregularity Policy</li> <li>• Whistleblowing Policy</li> <li>• Information Security Policy</li> <li>• Records Management Policy</li> </ul>
<b>Related Policies</b>	<ul style="list-style-type: none"> <li>• Trustee Code of Conduct</li> <li>• Data Protection Policy</li> <li>• Gifts and Hospitality Policy</li> <li>• Recruitment Policy</li> <li>• Anti-Bribery Policy</li> <li>• Staff Handbook</li> </ul>
<b>Associated Forms</b>	<ul style="list-style-type: none"> <li>• Trustee Declaration of Interests</li> <li>• Employee Declaration of Interests</li> <li>• Volunteer Declaration of Interests (<i>under development</i>)</li> <li>• Managing Declared Conflicts of Interest</li> </ul>

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## 10. Relevant Legislative & Regulatory Requirements

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<ul style="list-style-type: none"> <li>Charities Act 2011</li> <li>Companies Act 2016</li> <li>Data Protection Act 2018 incorporating EU General Data Protection Regulation</li> </ul>	<ul style="list-style-type: none"> <li>NHF Code of Governance 2020</li> </ul>	<ul style="list-style-type: none"> <li>Conflicts of Interest – A guide for Charity Trustees (CC29)</li> <li>Charity Governance Institute (CGI)- Specimen Conflict of Interest Policy, Declaration Form and Register of Interests for Charity Trustees.</li> <li>Charity Code of Governance.</li> </ul>