

# **OUTLOOK CARE POLICY MANUAL**

## **PO9**

### **CONFLICT OF INTEREST POLICY**

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#### **1 PURPOSE AND SCOPE**

The purpose of the Conflict of Interest Policy is to set out clearly Outlook Care's approach to managing any conflict of interest within the organisation, the steps it has taken to

- ensure that Board Members and staff are aware of the impact of conflicts of interest and,
- regularly review and report any potential conflict.

The aim of this Policy is to protect both the Organisation and the individuals involved from any impropriety.

This Policy applies to all Board Members and staff employed by Outlook Care

#### **2 INTRODUCTION**

A conflict of interest arises "when a Board Member or employee of an Organisation has private or other business interests which could improperly influence the performance of their official duties and responsibilities with the Organisation". It should be stressed that "Having an interest" in, for example, the outcome of a decision is not the same as being "interested" in the outcome, i.e. curious. If an individual could gain something personally from their involvement or decision they can be said to "have an interest" in it.

A “conflict of interest” therefore relates to a situation where there is a relationship, direct or indirect, between an individual’s personal interests (not restricted to their financial interests) and their duty as a Board Member or employee. Such situations are to be avoided as far as is reasonably practicable. In general, and for the avoidance of doubt, any circumstance where it appears that there is a possible or perceived conflict of interest should be avoided to safeguard the reputation and integrity of the organisation and the individual.

Conflicts-of-interest cannot be avoided simply by prohibiting Board Members and officers from having private or other business interests. However, individuals must assume personal responsibility for identifying and resolving potential conflicts of interest. Similarly, organisations should develop and implement realistic policy frameworks, set enforceable compliance standards, and establish effective management systems to deal with such situations.

### 3 POLICY STATEMENT

Outlook Care’s definition of Conflict of Interest is as follows:

*A conflict of interest is any situation in which the public duty of a Board Member or employee of Outlook Care is improperly influenced by the private or other business interests of that individual and affects the way in which they perform their duties and responsibilities and make decisions when acting for Outlook Care.*

Board Members have a legal obligation to act in the best interests of Outlook Care and in accordance with its Rules. Where a Board Member is also an officer or Member of a Local Authority or other public body, when acting on behalf of Outlook Care their sole obligation is to act in the best interests the organisation (Outlook Care).

Conflicts of interest may also arise where an individual’s personal, family or other business interests and/or loyalties conflict with those of Outlook Care.

Outlook Care is committed to avoiding any conflict of interest. To achieve this we will:

- Maintain a clear Policy on Remuneration of Board Members
- Have in place effective management systems to monitor the external interests of Board Members and staff
- Maintain a Register of Interests of Board Members and Senior Officers
- Ensure that these systems are monitored and reviewed regularly
- Ensure that all Board Members are aware of and sign up to the Board Member Code of Conduct

- Ensure that all Board Members and staff are aware of the Conflict of Interest Policy and the need to declare any external interests
- Ensure that all Board Members and staff are aware of and comply with the Gifts and Hospitality Policy
- Vigorously investigate any improper influence and take action where appropriate
- Report any failure to comply with the Conflict of Interest Policy to the Board

Board Members of Outlook Care must comply with the Board Member Code of Conduct and declare all interests which may be related, directly or indirectly, to the work of Outlook Care and sign a Declaration of Interest Statement and an Eligibility Statement.

All Board Members and Senior Staff (the definition of Senior Staff is: a member of the Senior Management Team (SMT) or Business Management Team (BMT)) must complete an annual Declaration of Interest Statement which sets out any interests (duality of interest or conflict of interest) they (or their spouse/partner/co-habitee, any relative or any member of their household) have outside the organisation where there could be a potential conflict of interest to current or pending new business of Outlook Care.

Declarations of Interest Forms are to be retained and monitored by the Company Secretary who will report potential areas of conflict to the Board.

The Register of Interests will be open to inspection by a person having a legitimate reason for wishing to do so, by making application to the Company Secretary or Chief Executive.

Board Members and officers will be required to declare any interest in any item on the agenda for a meeting at which they are present and will be required to leave the meeting whilst that item is under consideration.

If a Board member/employee does not initially have an interest but subsequently acquires one, the conflict of interest must be declared at the first Board meeting (or SMT/BMT meeting) thereafter. If a Board Member/employee becomes interested in a contract or other arrangement after it has been agreed, this must also be declared at the next Board meeting (or, SMT/BMT meeting).

#### **Decisions taken where a Board Member or Staff has an Interest**

In the event of the Board having to decide upon a question in which a Board Member or 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.

All decisions under a conflict of interest will be recorded 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 a Board Member benefits from the decision, this will be reported in the annual report and accounts in accordance with SORP 2000.

Board/SMT/BMT members must not be involved in managing or monitoring a contract in which they have an interest.

Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

#### **4 RESPONSIBILITIES**

The Board of Management is responsible for approving and monitoring the Conflict of Interest Policy.

The Company Secretary is responsible for ensuring that declaration of interest forms are completed by all Board Members, Senior Management Team Members and Business Management Team Members annually, for monitoring responses and for reporting to the Board on any issues where conflict may arise. The Company Secretary will ensure that the use of the data conforms to the laws on protection of data.

The Chairman is responsible for ensuring that Declaration of Interest is a standard agenda item at all Board meetings and any changes are declared and minuted.

The Chief Executive is responsible for ensuring that Declaration of Interest is a standard agenda item at every Senior Management Team meeting and Business Management Team meeting and any changes declared and minuted.

Individual Board Members and members of the Senior Management Team and Business Management Team are responsible for advising the Board of any change in their circumstances.

#### **5 PROCEDURES**

The procedures to be followed in order to comply with this Policy and for the management of interest in Outlook Care are as follows:

Action	By whom	Frequency	method
Declaration of Interest of self	Board Member/ employee	Within one month of appointment	Written, by completion of registration form (for Board Members see Board Member Code of Conduct. For employee's see Conflict of Interest Form 5)
Registering an interest of dependent	Board Member/ employee	Within one month of appointment	In writing by completion of registration form (for Board Members see Board Member Code of Conduct. For employees see Conflict of Interest Form 5)
Reviewing and Updating Declaration of Interest	Board Member/ employee	Annually or immediately upon an individual's circumstances changing to require the notification of an interest	In writing by completing relevant form.
Declaring an interest at meetings	Board Member/ employee	Standard agenda item at each Board, SMT and BMT meeting. Where a specific matter is to be discussed, Member to withdraw.	Verbally
Declaration of	Board	Annually	In writing by completion of

Eligibility	Member		Appendix 3 within Board Member's Code of Contact
Declaring a relative that has been appointed to a purchasing authority	Board Member/employee	immediately	In writing to Chairman/Company Secretary
Declaring a 'Gift'	Board Member/employee	On each occasion that a gift is received	In writing by completion of Gift form
Declaring Hospitality	Board Member/employee	On each occasion that hospitality is given or received	In writing by completion of hospitality book

**6 ENVIRONMENTAL ASSESSMENT**

No environmental impacts have been identified.

**7 RELEVANT POLICIES, PROCEDURES AND DOCUMENTS**

- PO19 Board Member Code of Conduct
- PO18 Board Member Remuneration Policy
- S27 Gifts to Staff Policy
- Form Number 5 Declaration of Interest
- Register of Interests
- Hospitality Record Book