



The Hullavington Community Benefit Society Limited

Conflict of Interest Policy

Introduction:

The Hullavington Community Benefit Society Limited (HCBS) is committed to high standards of ethical conduct and accordingly places great importance on making clear any existing or potential conflict of interest.

Purpose

The purpose of this policy is to protect the integrity of the HCBS decision making process and to identify, prevent and resolve conflicts of interest relating to the Management Committee that may interfere with their duties owed to it.

Adherence to this policy will enable our Members to have confidence that decisions are made in a fair and transparent way and that any conflicts of interests are dealt with in accordance with the law and our Society Rules.

This policy should be read in conjunction with the Society Rules and Code of Conduct, to which all members of the Management Committee have signed and committed to.

Policy

The HCBS places great importance on making clear any existing or potential conflicts of interest. Members of the HCBS Management Committee are obliged to act in the best interest of the HCBS.

When registering with the FCA, all founding members were asked to advise if they had any close links with any society, company or authority. There were no conflicts of interest found. Any new Members to the Committee will be required to complete a Conflict of Interests declaration as in Appendices 1 and 2.

Clause 5.17, Disclosure of Interests, states: A member of the Management Committee shall declare an interest and shall not vote in respect of any matter in which they, or their spouse or partner or immediate relative, have a personal, financial or other material interest.

It is the duty of each Management Committee member to determine whether or not a potential conflict of interest exists. A member will not be excused from compliance with this policy (or any other rule of law relating to conflicts of interest) on the basis that he/she did not realise that a conflict might arise. This policy is meant to supplement good judgement and Committee members should respect its spirit as well as its wording.

If a member of the Management Committee fails to notify the Secretary of an interest or fails to adhere to this policy the Management Committee has the discretion to take whatever disciplinary action it deems fit, provided it follows any processes and procedures set out in our Society Rule Book, including removal of a Committee Member.

If anyone believes a member of the Management Committee has an undeclared conflict of interest, this should be submitted in writing, outlining the basis of the potential conflict, to the Secretary of the HCBS, or the Chair or Vice-Chair.

Where conflicts cannot be avoided, they must be declared and managed in accordance with this policy and includes avoiding the perception of a conflict of interest as well as actual conflicts of interest.

Where a conflict of interest exists, as defined by statute, that Member of the Management Committee or employee, shall not initiate or take part in any discussion on that topic (either in a meeting, or with members before or after meetings), unless expressly invited to do so by unanimous agreement by all other members present. Any conflict of interest, and the action taken, will be documented in the meeting's minutes.

Where a conflict of interest does exist, as defined by statute, that member of the Management Committee shall not be eligible to vote on that matter.

Definition of conflicts of interest

- A conflict of interest is when an individual's personal interests, or interests they owe to another organisation, are incompatible with the interests of the HCBS and where they receive some form of personal gain or benefit as a result. A conflict of interest could compromise their judgement, decisions, or actions.
- Conflicts of interest can be direct or indirect. An indirect interest is where the interest is related to a party(ies) connected to the Committee Member. The definition of a connected person/organisation is:
 - a member of the Committee Member's family (that is, the director's spouse, civil partner, any person with whom the director lives as a partner in an enduring family relationship, a child or stepchild of the director, a child or stepchild of a director's partner (if living with the director and under the age of 18), or the Committee Member's parents).
 - When an organisation is connected with a Committee Member if the Member (and persons connected with them) is interested in 20% or more of the equity share capital of the organisation or can exercise more than 20% of the voting power at a general meeting of the organisation.

Types of conflicts of interest

- **Financial interest** – where a Committee Member receives a direct or indirect financial benefit or something else of value from a decision.
- **Non-financial personal interest** – where a Committee Member benefits directly or indirectly from HSBC services or activities or from being on the Management Committee.
- **Professional conflict** – where a director gets paid work or some other beneficial advantage through contacts made or information gained by virtue of being an HCBS Committee Member.
- **Loyalty interest** – where another appointment, directorship or association of the Director may influence the decisions of the Director, directly or indirectly, which may not be in the best interest of the HCBS.

Procedure to disclose an interest

- Upon appointment of any new Committee Members, they will be asked to complete a Register of Interests (see Appendix 1) which serves the purpose of being a conflict of interest disclosure statement. Each year, Committee Members will be asked if their circumstances have changed and a record of any disclosures will be maintained. Any changes to a person's interests during the year must be advised to the Secretary as soon as possible and within at least 30 days of the change occurring. The Secretary will keep a register of Committee Member interests (Appendix 2). The Annual Report will also disclose Directors other directorships, relevant memberships and employment to our members.
- Once an interest has been identified and authorised, or there is no conflict, the interest does not need to be notified again unless the nature of the interest changes.
- When an agenda and papers are issued for meeting, each Committee Member is responsible for assessing whether a potential conflict of interest may arise and, if so, informing the Secretary.

- During the meeting, if a potential conflict arises which either was not recognised before or which has arisen due to the path of discussion, then the person must raise this matter with the Secretary immediately.

In addition to the obligations set out above, Committee Members shall endeavour to inform the Chair and the Secretary, giving as much notice as reasonably possible, of any matters relating to or concerning the Director of which they are aware which may result in publicity which could have an adverse impact on the Society by reason of the director's connection with the Society.

Manage the conflict

Where a conflict is notified the Management Committee should decide, on a case-by-case basis, whether the interest can be authorised and that the Committee Member may proceed with the situation giving rise to the conflict or whether it must be managed or avoided.

In a case where an interest is notified during a meeting and the Management Committee believes that the conflict is so material that continued membership of the Committee is untenable, the matter shall be adjourned pending the taking of legal advice, where required or appropriate.

All discussions and decisions relating to a conflict of interest should be recorded in the minutes of the meeting following the notification if advised in advance of a meeting or in the meeting where an interest is notified, along with how the conflict has been managed.

Compliance

Compliance with this policy is the responsibility of the HCBS Management Committee. Any breaches or issues relating to the policy should be reported to the Secretary and the Chair notified immediately.

POLICY & PROCEDURE VERSION CONTROL:

The Policy and Procedures will be reviewed following the appointment of the Tenant and thereafter regularly, at least every two years.

Version	Management Committee Review and approval date	Next Review Date	Summary of changes
0.1	27/05/2024	May 2026	Draft policy and procedures for review/comment
1.0	24/7/2024	May 2026	Draft updated for review / approval - APPROVED

Hullavington Community Benefit Society Limited – Register of Interests Form

Name			
Position within the HCBS			
Date			
Employment	Details of all my employers in the last 12 months:		
Business:	Details of all businesses in which I am a partner or sole proprietor:		
Company directorships	Details of all companies of which I am a Director:		
Trusteeships	Details of all charities of which I am a trustee:		
Membership of organisations, public bodies, etc	Details of all organisations of which I am a member AND have a position of general control or management:		
Declaration of interests of immediate family:	Details of business interests, company directorship and trusteeships of immediate family (to include spouse/partner and anyone living under your roof		
Name	Relationship to me	Organisation name	Nature of interest

Declaration:

I confirm that I have disclosed all of my financial and non-financial interests and those of my immediate family as defined above. I understand that it is my responsibility to disclose to the Secretary of the HCBS any additional interests as they arise:

Signed

Date

Conflict of Interests Register

This form is to record any Conflict of Interests identified

Name	Description of interest	Date of disclosure	Steps taken by the Secretary or Chair to deal with the conflict