



SUSSEX NEIGHBOURHOOD HOUSE Inc.

CONFLICT OF INTEREST

RATIONALE

It is both assumed and required that the committee of management, staff and volunteers of Sussex Neighbourhood House will (are required to) act in the best interest of the organisation. (they are currently serving). Sometimes personal interests [or other professional involvement] may conflict with the organisation's interests, or others may believe it does. A person playing an active role in managing a community organisation should be able to clearly separate personal interests from interests of the organisation, and be seen to do so.

Conflicts of interest may occur on a variety of occasions. They are not necessarily bad in themselves, but can be a problem if:

- the conflict of interest is not recognised;
- the conflict of interest is not declared;
- the best interest of the organisation is not considered.

Others outside the organisation may think there is a conflict of interest even when there is not. Therefore individuals need to be able to show that potential conflict is recognised and ensure that these do not interfere with organisational processes.

Examples of potential conflicts of interest may include:

- you are on the selection panel which chooses a relative or friend for a job;
- you are on a Committee and are also employed by a funding body which provides grants to the organisation;
- you are on a Committee and also part of another body e.g. Council, whose decisions affect the organisation;
- you are on the Committee for an organisation which buys materials, products, or services from your private company or family business;
- you are on Committees for two organisations which compete for funds or consumers;
- you are on the Committee of an organisation which employs a relative or close friend;
- other members of your family are part of the same Committee;
- members of your family or close friends are part of the Committee which makes decisions which could benefit you;
- you are on a Committee which makes decisions which might benefit you personally e.g. providing a course you particularly want to do.

In each of the above examples you may not have gained personal benefit from your involvement; however others may see that you could have, or believe that you did. You must act to prevent any potential conflicts of interest to protect both yourself and your organisation.

The Sussex Neighbourhood House policies which relate most directly to the Conflict of Interest Policy are the Staffing Policy and the Finance Policy.

PROCEDURES

In order to limit or eliminate the impact of conflicts of interest, any or all of the following measures should be adopted by appropriate individuals or groups:

- at the first Committee of Management meeting after the Annual General Meeting, each Management Committee member should be asked to declare any potential conflicts of interest they perceive have bearing on their role as a committee member. These conflicts should be recorded along with how they are to be dealt with, and this record should be included with your record of committee minutes and available to all members.
- declaration of any new potential conflicts of interest as soon as the person become aware of them;
- declaration of a potential conflict of interest to be recorded in the minutes;
- state all your other professional/community involvement(s) and why you see that there might/might not be a conflict of interest.
- discussion by the Committee of Management about what action should be taken in each instance of potential conflict.

Possible options include:

- Declare the potential conflict and draw everyone's attention to it;
- Contribute to the discussion, or decisions, only after everyone else has put their views
- Leave the room while all discussion on the matter which affects you is under way
- Abstain from voting or deciding on any questions where your interests conflict
- Seek leave of absence from the Committee for the months during which the decisions where you have made a conflict of interest will be made;
- Resign from the Committee if the conflict is important and likely to continue
- Always respond to any complaints that your Committee ignored conflicts of interest and inform the complainant about your decision and the reasons for it.

Conflict of interest and paid staff

The Committee of Management is legally the employer of all staff who work at Sussex Neighbourhood House. Conflict of interest[s] over employment and other issues can arise when paid staff are part of the management. Where some financial or personal benefit is potentially involved members should do one of the following:

- State their conflict of interest as soon as possible and ask that they not take part in the discussion or decisions about the issue.
- If a vote is necessary the staff member should abstain from voting. If it is necessary for the paid staff member to vote, it should be noted in the minutes to show how they voted.
- The staff member should ask that the committee to determine whether they should stay involved, or how they can participate without compromise. They might then be given the opportunity to take part in the discussion, or to put their views and then to leave the room to abstain from voting.
- Select a representative on the committee who can put forward views or information on behalf of the staff member.

If staff are part of management committees their role should be clearly defined in policy.