



CONFLICT OF INTEREST AND CONFLICTS OF LOYALTY POLICY

Effective from: April 2014
Designated person responsible: Chief Commissioner and CEO
Overall responsibility: IGG's Executive committee
To be reviewed: annually

Irish Girl Guides Policy on Conflicts of Interest and Conflicts of Loyalty

Purpose

The purpose of this Policy is to outline the behaviour expected of members of the Executive Committee of the Irish Girl Guides with regard to declaring personal interests and also to outline the procedure to be followed in the event of a disclosure of a conflict of interest or loyalty.

Scope

This Policy applies to all voting and non-voting members of the Executive Committee.

Introduction

This Policy is an integral part of the Code of Conduct which each member of the Executive Committee signs up to and agrees to abide by. Whilst in accordance with the Code of Conduct, Executive Committee members have a duty to act at all times in the best interest of the Irish Girl Guides, it is acknowledged that from time to time conflicts of interest or loyalty may arise. Executive Committee members are expected to be mindful of any actual, potential or perceived conflicts that may have or be perceived as having a bearing on their ability to act in the best interests of IGG. Even where there is no actual conflict, a perception of a conflict can have a significant bearing on the perceived integrity of the committee, which each member of the Executive Committee has, by signing the Code of Conduct, agreed to uphold. References in this policy to 'conflicts' are therefore to be read as comprising actual conflicts, potential conflicts and perceived conflicts.

Definitionsⁱ

Conflict of Interest: A conflict of interest arises when your private interests compete with your professional duties. A conflict of interest may arise, for example, if a board member influences the awarding of a contract to a company owned by a family member. It is legal to award a contract to the best qualified company, even if that company is owned by a relative, but the board member themselves could not be part of the decision making process. This would be a conflict of interest, because their own family would benefit financially from his/her position. A conflict of interest can also happen in relation to connections the board member might have that are unrelated to family connections, but to do with others with whom he/she may have a business connection.

Conflict of Loyalty: This arises where a board member may be involved in board decisions and may be (or perceived to be) potentially influenced by considerations other than the best interests of the organisation. This might happen when the board member has come onto the board as a nominee of a particular group e.g. members in a particular county, a funding body, beneficiaries or staff. This situation may possibly cause the board member to think that they should act in the interests of the grouping which nominated them. However, in all cases, regardless of their route onto a board of directors, all board members should act in the interests solely of the organisation on whose board that they sit, rather than acting in the interests of the grouping which nominated them. Conflicts of loyalty may be sufficiently serious to amount to conflicts of interest.

Declaration of Interests

Upon joining the Executive Committee, and annually thereafter, all Executive Committee members are required to complete a Declaration of Interests. A record of these Declarations will be kept in a Register of Director's Interests which will be maintained by the CEO in accordance with IGG's Data Protection Policy. Any new interests which arise in the intervening period must be declared as soon as possible in writing, by completing and signing a new Declaration of Interests.

Procedure for dealing with conflicts

If, in advance of an Executive Committee meeting, it becomes apparent to an Executive committee member that they may have an actual or perceived conflict in relation to a particular agenda item, arising out of an interest previously declared, or one which they may not have previously declared, they must submit a Notification of Conflict of Interest or Loyalty as soon as practicable to the CEO.

At the commencement of the meeting there will be a separate agenda item to deal with any conflicts of interest or loyalty which are relevant to the agenda for that particular meeting. Unless the Executive Committee determines otherwise, any members declaring a conflict of interest will be excluded from the room for the duration of the discussion and/or decision making process for the relevant agenda item. If a member declares a conflict of loyalty, the Executive Committee will determine whether it is sufficiently serious to amount to a conflict of interest. If a conflict of loyalty is considered sufficiently serious to amount to a conflict of interest, then unless the Executive Committee determines otherwise, the declaring member shall be excluded from the room for the duration of the discussion and/or decision making process for the relevant agenda item.

A record of disclosures of conflicts of interest and/or loyalty and the outcome of the Executive Committee's determination will be minuted and also kept in the Register of Director's interests. Where it only becomes apparent to an Executive Committee member during the course of the meeting that they have a conflict, the member must declare it immediately. Discussion will then be suspended to allow the Executive Committee to consider the disclosure and make a determination in accordance with the procedure outlined above for conflicts disclosed prior to a meeting.

Review

This policy will be reviewed annually in conjunction with the review of the Code of Conduct.

Related documentation

- Annual Declaration of Interests
- Notification of Conflict of Interest or Loyalty

ⁱ Definitions are taken from 'The Governance Code for Community, Voluntary and Charitable Organisations'; Boardmatch Ireland, Business in the Community Ireland, Carmichael Centre for Voluntary Groups, Clann Credo, ICTR, The Disability Federation of Ireland, Volunteer Ireland, The Wheel, The Corporate Governance Association of Ireland, Sheila Cahill Consulting and Arthur Cox, 2012.