

# Declaration/ Conflict of Interest Policy

## Skerries Community Association CLG

<b>Policy approval date</b>	Oct 2024
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<b>Version</b>	1
<b>Date of next review</b>	Oct 2026

### Purpose

The purpose of this policy is to assist the Board of Directors of **Skerries Community Association CLG** (hereinafter referred to as Skerries Community Association) to effectively identify, record and manage any conflicts of interest in order to protect the integrity of Skerries Community Association and to ensure that the Company Directors act in the best interest of the association.

### 1. Objective

The board of **Skerries Community Association** aims to ensure that the directors, committee members and relevant employees are aware of their obligations to identify, record and manage any conflicts of interest that may arise in the association, and to comply with this policy as representatives of **Skerries Community Association**.

### 2. Scope

This policy applies to the Directors of **Skerries Community Association**, relevant employees and any committee members of Skerries Community Association.

### 3. Definition of interests and conflicts of interests

A conflict of interest is any situation in which a director, committee member or relevant employee's personal interests or loyalties could, or could be seen to, prevent this person from making a decision in the best interests of the association. This personal interest may be direct or indirect, and can include interests of a person connected to the director, employee or committee member.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the association and therefore must be managed accordingly.

### 4. Policy

This policy has been developed because conflicts of interest commonly arise, and do not need to present a problem to the association if they are openly and effectively managed. It is the policy of **Skerries Community Association** as well as a responsibility of its directors, that ethical, legal,

financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the best interests of **Skerries Community Association**.

**Skerries Community Association** will manage conflicts of interest by requiring directors, employees and committee members to:

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- avoid conflicts of interest where possible
- identify and record any conflicts of interest
- carefully manage any conflicts of interest,
- and follow this policy and respond to any breaches.

## 4.1 Responsibility of the Board of Directors

The board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the association;
- communicating this policy to committees and relevant employees
- monitoring compliance with this policy; and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

The directors should ensure they are aware of their legal obligations in the management and control of their association and should refer to the Charities Regulator's 'Guidance for Charity Trustees'.

## 4.2 Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into **Skerries Community Association's** register of interests, as well as being raised with the Board of Directors. The register of interests must be maintained by the Company Secretary and record all information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

### Confidentiality of disclosures

Information regarding any disclosures will be restricted to the Board of Directors, or where deemed more appropriate in exceptional circumstances will be restricted to the Company Secretary and Company Chair while establishing facts before being shared with the Board of Directors.

## 5. Action required for management of conflicts of interest

### 5.1 Conflicts of interest of members of the Board of Directors

Once the conflict of interest has been appropriately disclosed, the Board of Directors (excluding the disclosing director and any other conflicted person) must decide whether or not a conflicted director, employee or committee member should:

- vote on the matter (this is a minimum),

- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a director from regularly participating in discussions, it may be necessary for the Board of Directors to consider whether it is appropriate for the person with the relevant conflict to resign from their position.

## 5.2 What should be considered when deciding what action to take

In deciding what approach to take, the Board of Directors will consider whether:

- the conflict needs to be avoided or simply documented
- the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict exist; and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the association, might exist.

The approval of any action requires the agreement of at least a majority of the Board of Directors (excluding any conflicted director) who are present and voting (if applicable) at the meeting. All details regarding the conflict of interest, including the action arising, will be recorded in the minutes of the meeting and in the register of interests

## 6. Compliance with this policy

If the Board of Directors has a reason to believe that a person subject to this policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the Board of Directors may take action against the person. This may include seeking the person's resignation from the association or a suspension for an appropriate length of time.

If a person suspects that a director, committee member or relevant employee has failed to disclose a conflict of interest, they must notify the Secretary or Chairperson.

### Contacts

For questions about this policy, contact the Board of Directors or **Secretary** by emailing [secretary@skerriesca.com](mailto:secretary@skerriesca.com)

# Appendix:

## Disclosure of Interests for Committees

### Background

The SCA Board of Directors is currently putting in place governance procedures in order to comply with the Charities Governance Code. One such procedure is to identify and manage potential conflicts of interest, i.e. where a director, committee member or relevant employee has a personal or business interest in any transaction of the company. Such an interest might conflict or be perceived to conflict with the interests of the company.

There is no problem in such interests arising. They do so all the time. The main thing is to ensure that they are disclosed, recorded and managed.

### New Procedure

In order to identify such interests arising on the part of your committee members or relevant employees, we would like you to have a standing item called "Declaration of interest" on your meeting agendas, consisting of asking the following question:

- "Does any committee member have a direct or indirect personal or business interest in any transaction undertaken or about to be undertaken by The Skerries Community Association (including this and any other SCA committees or board)?"

The answer to the above, should be recorded in the minutes. If the answer is "yes" to either question, the committee member who is a director of the company must inform the Board of Directors of the matter immediately via email. The Board of Directors will then decide whether a conflict of interest exists and, if so, how to manage it.

### Notes

An interest may be direct or indirect, and can include interests of a person connected to the committee member. See the section below for further information on what is meant by a 'personal connection'.

Persons who may be classed as a 'connected person' include: a parent, brother, sister, spouse, grandparent or grandchild of the individual, or a child of the spouse of the individual; any person the individual is in a partnership with; any person the individual is employed by under a contract of service; a body corporate if the individual has control of it, or if the individual and any of the above mentioned connected persons together have control over it.

Some hypothetical examples of direct and indirect personal or business interests include:

- A child of a committee member, who is applying for a job with the Community Centre.
- A committee member who has a coffee shop and wishes to supply scones and sandwiches for an SCA AGM on a commercial basis.
- A spouse of a committee member who has a web design business and has offered to update the committee's website for a fee.
- A committee member who has a heating and plumbing business and has offered to replace a boiler at the Community Centre at a significant discount.
- A sister of a committee member who has asked to be allowed to hold a one day art exhibition in the Little Theatre free of charge.