



7 January 2021

## CONFLICT OF INTEREST POLICY

### 1. Purpose

The purpose of this policy is to assist the directors of Cruit Éireann, Harp Ireland (CÉHI) to effectively identify, record and manage any conflicts of interest in order to protect the integrity of CÉHI and to ensure that the directors act in the best interest of their charity.

### 2. Objective

The objective of this conflict of interest policy is to ensure that:

- The directors are aware of their obligations to disclose any conflicts of interest that they may have, and
- The board of directors can effectively manage any conflicts of interest that may arise.

### 3. Scope

This policy applies to the directors of CÉHI

### 4. Definition of conflicts of interests

A conflict of interest arises in any situation in which a relevant person has a personal interest or personal loyalty in a matter affecting CÉHI. In those circumstances, the personal interests or loyalties of a relevant person could, or could appear to, influence the relevant person's decision making in matters relating to CÉHI. This personal interest or loyalty may be direct or indirect, and can include interests of a person connected to the relevant person.

A conflict of interest presents the risk that a relevant person will make a decision based on, or affected by, these influences, rather than in the best interests of CÉHI. A conflict of interest therefore must be managed accordingly.

## **5. Policy**

This policy has been developed because, while conflicts of interest may arise from time to time, they need not present a problem to CÉHI if they are openly and effectively managed. It is the policy of CÉHI, 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 their obligations to CÉHI.

CÉHI will manage conflicts of interest by requiring the directors to:

- 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.

## **6. Responsibility of the board of directors**

The board is responsible for:

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

Each director should ensure she or he is aware of their legal obligations in the management and control of CÉHI and should refer to the Charities Regulator's 'Guidance for Charity Trustees' for further information on this – see their website [www.charitiesregulator.ie](http://www.charitiesregulator.ie)

## **7. Identification and disclosure of conflicts of interest**

Once an actual, potential or perceived conflict of interest is identified, it must be entered into the register of interests, as well as being raised with the board of directors. The register of interests must be maintained by the secretary of CÉHI and record relevant information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

## **8. Confidentiality of disclosures**

The details of a disclosure of interests by a relevant person will be confidential and will be restricted to the board of directors and the secretary. The level of disclosure required in

respect of any conflict of interest will be such as is necessary to allow the board of directors to manage the conflict effectively.

## **9. Action required for management of conflicts of interest**

### a. 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 may:

- Vote on the matter;
- participate in any discussion on the matter; or
- be present in the room during the discussion and the voting.

### b. What should be considered when deciding what action to take

In deciding what approach to take when a conflict of interest arises, the board of directors will consider:

- CÉHI's objects and resources;
- whether the conflict might impair the disclosing person's capacity to impartially participate in decision-making.
- any risk that the conflict of interest could create an appearance of improper conduct that might in turn impair confidence in, or the reputation of CÉHI.
- whether the conflict needs to be avoided or simply documented; and
- alternative options to avoid the conflict, if applicable.

The approval of any action requires the agreement of 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.

## **7. Compliance with this policy**

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

If it is found that a relevant person has failed to disclose a conflict of interest, the board of directors may:

- require the relevant person to disclose the conflict of interest fully;

- rescind or terminate without penalty any contract or agreement made with the relevant person or a person connected with the relevant person relating to the matter in respect of which the conflict of interest arose;
- take any other action that the board of directors considers reasonable and proportionate in the circumstances, including seeking the relevant person's resignation from the board of CÉHI.
  
- If a person suspects that a relevant person has failed to disclose a conflict of interest, they must notify the chairperson and the secretary.

### **Contacts**

For questions about this policy, contact the Chairperson or the Secretary at [info@harpireland.ie](mailto:info@harpireland.ie)