

The Hereford Towns Fund Board Conflicts of Interests Policy

Policy Statement

The Hereford Towns Fund Board (the Board) recognises the potential for actual or perceived conflicts of interest to arise throughout the conduct of its business.

The Board will support its members to conduct Towns Fund business effectively, while minimising exposure to disadvantageous outcomes and criticism arising from such potential conflicts.

The Board further recognises and accepts that this requires the highest standards of conduct, integrity, accountability, transparency, openness, and probity at each stage of the Board's business.

The Board shall act impartially, and in the public interest throughout the conduct of its business.

The Board will apply the standards and procedures set out in this document and any related local and national Towns Fund guidance to address the circumstances in which actual or perceived conflicts of interest might arise.

This policy is to ensure that any conflicts of interest which may arise in the Board's business processes are recorded and managed. This is to protect the integrity of the Board and to give stakeholders confidence in the probity of the Board's decision-making. Therefore, it helps to protect the reputation of the Board and of its members.

The "Towns Fund Further Guidance" states that there should be clear processes in place for managing conflicts of interests (both commercial, actual, and potential) in decision making, and this must apply to all involved with the work of the Towns Fund Board.

Herefordshire Council as the "Lead Council" has provided in this document the guidance on the pecuniary and non-pecuniary interests individuals must declare and outlined the process that Board members must follow for declaring interests.

Applicability

These arrangements apply to the Hereford Towns Fund Board, and committees, groups, and any co-opted members or advisers to the Board.

Definitions

Interest

An interest in a matter is where there is a reasonable likelihood of the person (or other parties as defined below) being affected by the decision, either directly, or indirectly. This may include both gain and loss to the person/ parties which would not have happened had the interest not existed.

Interests may be associated with, for example, employment, other appointments (including trusteeships, directorships, elected office), memberships (whether corporate or personal), investments, shareholdings, personal relationships, land and property, intellectual property, customer/client relationships, use of the Board's services or anything else which could (or could be

perceived to) impact on the member's ability to act fairly (independently, impartially, and in the public interest).

Relevant Parties

The following parties should be considered when assessing the potential effect of a member's declared interest on any decision:

- the member, the member's family, including spouse or civil partner or any person living in the same household as the member;
- a business partner or close personal friend;
- a firm, business, or other organisation with which the member is connected.

Pecuniary Interest

An interest through which the member or Relevant Party stands to gain or lose financially.

Non-pecuniary Interest

An interest through which the member or Relevant Party stands to gain or lose in non-financial ways.

Conflict of Interest

A conflict of interest is a situation in which one cannot make a fair decision on a matter because one may be affected by the result due to competing interests or loyalties. Examples of conflicts of interest are included in Appendix A - Additional Guidance for Board Members.

Policy Provisions

Board members should complete a Declaration of Interests form which will then be held by Herefordshire Council as the Lead Council.

Herefordshire Council, on behalf of the Board, will collate individual Declaration of Interests forms and establish and keep up to date a Register of Members' Interests, which shall be available to the public.

All Board Members must take responsibility for declaring any potential conflicts of interest at the start of the meeting and again when the relevant item is reached on the agenda, regardless of whether it is already included in the Register of Interests.

Declarations shall be recorded in the minutes of meetings.

Members may not participate in the discussion or determination of matters in which they have a pecuniary interest.

For non-pecuniary interests, the member must consider whether participation in the discussion or determination of a matter could cause a bias or be otherwise inappropriate. The member is responsible for deciding whether they should:

- participate in the discussion of that matter;
- remain in the room for the discussion of that matter;
- be counted in the quorum for that part of the meeting.

Where decisions or recommendations are made by written procedure, any member with a conflict of interest must immediately notify the Chair and take no part in the voting.

A register of gifts and/or hospitality provided to individual Board members or the Town Deal Board as a whole will be maintained by Herefordshire Council as the Lead Council.

The Register of Declarations of Interest

Herefordshire Council, as the Lead Council, will maintain the Register of Interests for all members of the Board, and any sub-boards which makes recommendations to the Board.

Members must declare their interests for inclusion in the Register immediately upon joining the Board or any sub-boards.

The Register of Interests shall be available to the public.

Members must update their declarations as and when interests change and annually.

The Board shall use the Register to monitor its compliance, and the compliance of the individuals completing it, with the Board's Conflicts of Interest Policy.

Appendix A – Additional Guidance for Board Members

Examples of Potential Conflicts of Interest and Proposed Mitigation

Example 1: A Board Member participates in the commissioning process for the purchase of a service for the Board but he/she, a spouse, business associate, or close personal friend has a financial interest in one of the organisations that is a candidate for funding.

Mitigation 1: The Board Member does not attend meetings where the purchase is under consideration and does not take a role in authorising such a purchase.

Example 2: A Board Member participates in the commissioning process for the purchase of a service for the Board but he/she, a spouse, close business associate or personal friend has a non-financial interest in one of the organisations that is a candidate for funding e.g. is a member of the Board of that organisation but receives no remuneration or other financial compensation for that role.

Mitigation 2: The Board Member is excluded from the process, and if it becomes known during the process, that the process is restarted without that individual's participation.

Example 3: A Board Member is corresponding with a Board stakeholder where the views of either the Board or another organisation with which the Board Member has some association could be given and may be different.

Mitigation 3: In all forms of communication where such circumstances arise, the Board Member must be clear who they are representing e.g. if corresponding by letter or e-mail make sure the appropriate letterhead or electronic signature is used and emphasise in the text of the

correspondence which organisation's interests are being represented in any Board Member response.

Example 4: A Board Member can determine a policy or strategy for the Board in such a way that will give another organisation with which they are associated an unfair advantage over its competitors.

Mitigation 4: The Board Member does not have sole responsibility for signing off such matters.