

The Order of Malta Volunteers – Conflicts of Interest & Integrity Policy

(registered company no. 09801949, registered charity no. 1164242)

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| POLICY REFERENCE | |
| Function | For information and guidance |
| Status | Approved & issued |
| Scope | Trustees, OMV Committee, Volunteers |
| Owner | Eddie Pease |
| Version | 2.0 |
| Date approved by board | September, 2018 |
| Date for review | September, 2019 |

Introduction

1. The trustees of the Order of Malta Volunteers (“the Trustees”) have a legal duty to act in the best interests of the Order of Malta Volunteers (“the OMV” or “the Charity”) and not for their own private interest or gain. They must avoid putting themselves in a position where their personal interests or loyalties could conflict with their duty to act only in the best interests of the Charity. In practice this means that the Trustees must either eliminate any conflict of interest or take appropriate steps to manage any conflict of interest.
2. The aim of this Policy is to help the Trustees to be aware of situations in which their interests might conflict with those of the Charity and to enable the Trustees to ensure that potential conflicts of interest are handled appropriately.
3. This Policy also contains guidance for Trustees, as well as members of the OMV Committee and Volunteers, on the circumstances in which they may accept gifts or Hospitality from third parties.
4. The Charity must publish this Policy on its website.

Definitions

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| Conflicted Trustee | A Trustee in respect of whom a conflict of interest arises or may reasonably arise because the Conflicted Trustee or a Connected Person is receiving or stands to receive a benefit (other than payment of a premium for indemnity insurance) from the Charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Charity. |
| Connected Connected Person | As defined in sections 252 and 254 of the Companies Act 2006. In relation to a Trustee, a person with whom the Trustee shares a common interest such that he/she may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that person, being either a member of the Trustee’s family or household or a person or body who is a business associate of the Trustee or other person with whom the Trustee is connected, and (for the avoidance of doubt) does not include a company with which the Trustee’s only connection is an interest consisting of no more than 1% of the voting rights. |
| Entertainment | Payment of the costs of an activity that is not directly related to the conduct of the Charity’s business that is designed to achieve some form of business benefit. |
| Hospitality | The payment of someone else’s expenses, usually in the form of food and/or drinks, that is designed to achieve some form of business benefit. |

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| Indemnity Insurance | Insurance against personal liability incurred by any Trustee or other officer (other than any person engaged by the Charity as auditor) for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the act or omission amounts to a criminal offence or the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty. |
| Volunteer | Any person who attends a designated OMV activity in a voluntary capacity. |

Gifts, Hospitality and Entertainment

5. Trustees, members of the OMV Committee and Volunteers must not offer or give anything of value to someone else – either within the Charity or outside – in connection with their role within the Charity with the intention of obtaining an improper advantage or a corrupt effect.
6. Trustees, members of the OMV Committee and Volunteers must not offer a gift in connection with their role within the Charity to anyone outside the OMV to a value of more than £25. The Chairman of Trustees must pre-approve all gifts below this value.
7. Trustees, members of the OMV Committee and Volunteers must not accept a gift with a value of greater than £25 in connection with their role within the Charity. If a gift appears to be worth more than £25, the value must be assessed by either the Chairman of Trustees or the OMV Chairman, whose determination will be final. Any gift worth or deemed to be worth more than £25 must be returned to the donor.
8. Trustees, members of the OMV Committee and Volunteers may accept Hospitality (as defined above) in connection with their role within the Charity up to a value of £25 per person and per occasion from individuals outside the Charity. Hospitality with a value of more than £25 should be declared as soon as practicable after the event to either the Chairman of Trustees or the OMV Chairman, who will decide whether or not to approve it.
9. Any Trustee, member of the OMV Committee or Volunteer who accepts a gift or Hospitality (subject to the conditions above) must declare the gift or Hospitality, its approximate value and the identity of the donor in the Charity's Register of Gifts and Hospitality, which is maintained by the Company Secretary.
10. Trustees, members of the OMV Committee and Volunteers may not accept Entertainment (as defined above) in connection with their role within the Charity.

What is a conflict of interest?

11. A conflict of interest is any situation in which a Trustee's personal interest or loyalties could influence or affect the Trustee's decision-making. There are three common types of conflict of interest. These are situations where:
 - i. A Trustee could obtain a **direct financial benefit**. (This could be a payment to a Trustee, or to a company in which the Trustee has a financial interest, for a service provided to the Charity.)
 - ii. A Trustee could obtain an **indirect financial benefit**. (This could be where the spouse or another close relative of a Trustee is employed by the Charity or is contracted to provide a service to the Charity for payment.)
 - iii. A Trustee's loyalty to the Charity **conflicts with their loyalty to another organisation or person**.

12. The interest of a person connected with a Trustee (for example the spouse, civil partner, child or stepchild of a Trustee, a company with which a Trustee is associated, a trustee of a trust which benefits the Trustee, his immediate family or a company with which he is associated, or the business partner of that Trustee) should be treated as an interest of that Trustee.

Register of Interests form

13. When appointed, each Trustee must complete a Register of Interests form, as supplied by the Charity:
- i. listing any personal interests or positions that may potentially give rise to a conflict of interest;
 - ii. confirming that they are not aware of any conflict, other than those already disclosed, that exists between their role and their personal circumstances or other interests;
 - iii. confirming that they will update the form annually, or sooner if changes occur; and
 - iv. confirming that they will declare any conflict that arises in the future.
14. Each Trustee must also complete a new Register of Interests form at the beginning of each financial year and inform the Charity of any relevant interests that arise during the year.
15. The information provided by the Trustees will be processed in accordance with the data protection principles set out in the Data Protection Bill 2017. Data will be processed only for the purposes set out in this Policy and not for any other purpose.

Register of Interests

16. Information supplied on the Trustees' Register of Interests forms will be included on the Register of Interests maintained by Chairman of the Trustees. The Register of Interests will be available for inspection by any Trustee upon request.

Permitted trustee benefits

17. The law imposes strict limits on the benefits that may be conferred on trustees. The Charity's Articles of Association (the "Articles") provide that the only benefits a Trustee may receive from the Charity are:
- i. interest on money lent to the Charity at a reasonable rate;
 - ii. reasonable rent or hiring fee for property let or hired to the Charity;
 - iii. reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Charity;
 - iv. the benefit of Indemnity Insurance as permitted by the Charities Act 2006;
 - v. an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - vi. in exceptional cases, other payments or benefits (but only with the written consent of the Charity Commission in advance and, where required by the Companies Act 2006, the approval of the members of the Charity);
18. The Charity's Articles state that a Trustee or a Connected Person may not be employed by the Charity except in accordance with paragraph 10.2(e) of the Articles. A Trustee or Connected Person may enter into an agreement with the Charity to supply goods or services for payment or other material benefit, but only if:
- i. the goods or services are actually required by the Charity and the Trustees decide that it is in the best interests of the Charity to enter into such a contract;

- ii. the nature and level of the consideration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with paragraph 10.4 of the Charity's Articles;
- iii. fewer than half the Trustees are subject to such an agreement in any financial year; and
- iv. the Trustees comply with the procedures set out in the Articles for managing conflicts of interest and any such additional procedures as are required by law.

Managing a conflict of interest or potential conflict of interest

19. In addition to completing a declaration of interests, Trustees have a duty to declare interests that might give rise to conflicts, or potential conflicts between their personal interests and those of the Charity as and when they arise. For example, if the Trustees are discussing whether the Charity should enter into a contract with a particular company and one of the Trustees is a director of that company, then that Trustee must declare that he or she has a personal interest in the matter before it is discussed. Interests declared in this way will be entered in the register of interests.
20. When a Trustee discloses an interest that may create a conflict or a potential conflict, the other Trustees must determine (without the potentially Conflicted Trustee being present) whether a conflict of interest exists in the circumstances. Any determination regarding the existence of a conflict will be made by a vote of Trustees who are not Conflicted Trustees.
21. There is a procedure set out in the Articles in relation to dealing with conflicts of interest. If the Trustees decide that a conflict or a potential conflict exists in relation to a matter that is to be discussed by the Trustees, the Trustee affected by the conflict or potential conflict must:
 - i. Declare the nature and extent of his or her interest before discussion begins on the matter;
 - ii. withdraw from the meeting for that item after providing any information requested by the Trustees;
 - iii. not be counted in the quorum for that part of the meeting; and
 - iv. be absent during the vote and have no vote on the matter.
22. When any Trustee is a Conflicted Trustee, the Trustees who are not Conflicted Trustees, if they form a quorum without counting the Conflicted Trustee and are satisfied that it is in the best interests of the Charity to do so, may by resolution passed in the absence of the Conflicted Trustee authorise the Conflicted Trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee, to:
 - i. continue to participate in discussions leading to the making of a decision and/or to vote;
 - ii. disclose to a third party information confidential to the Charity;
 - iii. take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from the Charity; or
 - iv. refrain from taking any step required to remove the conflict.
23. The provisions in paragraph 14 may be amended by special resolution but, where the result would be to permit any material benefit to a Trustee or Connected Person, only with the prior written consent of the Charity Commission.
24. The minutes of the meetings of Trustees and any committees at which a conflict of interest is an issue should record:
 - i. the nature of the conflict and determinations regarding the conflict;

- ii. the relevant Trustee's non-participation with respect to consideration of the matter;
 - iii. any limitation on the Trustee's ability to act in relation to the matter;
 - iv. any alternatives that were discussed;
 - v. the names of people present for discussion;
 - vi. the votes taken regarding the conflict; and
 - vii. any other relevant information.
25. Having considered the matter, the Trustees who are not Conflicted Trustees must decide whether or not it is in the interests of the Charity to carry out the proposed course of action. If it is in the interests of the Charity they may authorise the course of action, even though the conflict of interest has arisen.

Monitoring compliance and reviewing this policy

26. Any Trustee who becomes aware of a breach of this Policy shall report it to the Chairman of Trustees as soon as possible. The Chairman of Trustees will:
- i. report all breaches of this Policy of which he is aware to the trustees at the next Trustee meeting; and
 - ii. note all breaches in the minutes of the relevant Trustee meeting.

Review

27. The Policy owner must keep up to date with relevant legislation and Charity Commission guidance and update this Policy whenever necessary. The Board of Trustees must approve the revised version.
28. The Policy owner must review the Policy annually and either submit a revised policy for approval by the Board of Trustees or confirm in writing to the Chairman of Trustees that the current version of this Policy is still fit for purpose.
29. The Board of Trustees must formally review and re-approve this Policy every five years.