

## Chartered Institute of Payroll Professionals

### Conflict of Interests Policy – Board Members

#### 1. Scope

1.1 This policy applies to members of the CIPP Board and members of Board committees.

#### 2. Aim

2.1 The aim of this policy is to protect both the CIPP Board and Board committee members from any impropriety or the appearance of impropriety.

#### 3. What is a conflict of interest?

3.1 A conflict of interest is any situation in which an individual's interests, or interests that they owe to another body, may (or may appear to) influence their decision-making. The conflict arises because the individual has two or more competing interests and they can take a variety of forms and involve multiple interests, both personal and professional. In very broad terms an 'interest' includes anything which could potentially divert a Director/Committee member's mind from giving sole consideration to promoting the success of the CIPP. Types of conflict of interest include, but are not limited to:

- Personal, professional, or economic relationships
- Past or present positions held with other organisations
- Personal, professional, or economic relationships with other members of the Board or senior managers
- Other economic interests

3.2 Conflicts may create problems, and can:

- inhibit free discussion.
- result in decisions or actions that are not in the interests of the Institute; and
- risk the impression that the Board has acted improperly.

#### 4. Board Members and Members of Board Committees

4.1 Board members and members of Board Committees have an obligation to act in the best interests of the CIPP and in accordance with the governing documents. The CIPP is a professional institute established by Royal Charter. Members of the Board have a legal obligation to always act in the best interests of the Institute and a basic principle that flows from this is that Board members should not be in a position where their personal loyalties or interests conflict or appear to conflict with their duty to the CIPP.

4.2 Whereas it may not be possible to entirely avoid conflicts of interest, it is important that all such conflicts are managed appropriately. An unmanaged conflict can adversely affect the way in which the Board operates, create division or undermine confidence in the CIPP. The task of managing such risks when the conflict comes to light may also divert resources from the core business of the CIPP. Board members may find it difficult or impossible to make an independent decision on a matter which involves a member with a conflict. Members of staff may feel intimidated where a Board member is known to have a conflict of loyalty, even where there is no such intention.

## Institute Secretary's Report

- 4.3 For all these reasons, Board members are encouraged to declare any role or other interest which could give rise to a conflict of interest (or conflict of loyalties) so that it can be recorded in the CIPP's Register of Interests. Where interests are declared in this way, the Institute Secretary can, with external advice where appropriate, take steps to ensure that conflicts of interest are appropriately managed.
- 4.4 Those standing for election to the Board are asked to read the Conflict of Interest Policy and disclose any potential conflicts as part of presenting themselves for appointment. A declaration of interests form is provided for this purpose. A copy of this form is provided as Appendix 1 to this policy.

### **5. The Declaration and Register of Interests**

- 5.1 Board members' interests will be recorded on the Register of Interests, which will be maintained by the Board Secretary.
- 5.2 The list of interests should be maintained and updated throughout a Board member's period of office. Any Board member who thinks that they may have a conflict of interest, or is unsure what to declare, or whether/when their declaration needs to be updated, should err on the side of caution.
- 5.3 The list of interests will be reviewed by the Board on an annual basis.

### **6. Decisions taken where a Board member has an interest**

- 6.1 Where a conflict does arise or is declared at a meeting, the Chair will determine how this may be best managed. This may include asking the individual to remove themselves from the discussion and decision relating to the relevant item.
- 6.2 Board Chair and Committee Chair will ask for declarations of interest at the start of each meeting.
- 6.3 In the event of the Board, or a Board Committee having to decide upon a question in which a Board member has an interest, all decisions will be made by vote, usually by simple majority. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate. Interested Board Members may not vote on matters affecting their own interests.
- 6.4 All decisions under a conflict of interest will be recorded by the Board Secretary and reported in the minutes of the meeting. The report will record:
  - the nature and extent of the conflict.
  - an outline of the discussion.
  - the actions taken to manage the conflict.

**CONFLICTS OF INTEREST FORM**

Any interests or conduct issues detailed here may be explored with you during your interview to establish how you would address the issue(s) should you be appointed. If you have any interests that might be relevant to the work of the CIPP and which could lead to a real or perceived conflict of interest should you be appointed, please provide brief details below.

All information provided by applicants will be handled in a manner consistent with GDPR 2018.

Do you consider yourself to have a real or perceived conflict of interest in relation to this role?

no

yes If yes, please provide brief details:

**Declaration**

I declare that the information supplied in my application is correct to the best of my knowledge. I have also read the information pack and can confirm that I am eligible to be considered for appointment as a Board Director. I also certify that I will immediately inform the Institute Secretary of any changes in circumstances that affect the answers I have given.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_