



Conflict of Interest Policy

1. Purpose

The purpose of this policy is to assist the Board of Directors of *Business to Arts* to effectively identify, record and manage any conflicts of interest in order to protect the integrity of *Business to Arts* and to ensure that the Directors act in the best interest of their charity.

2. Objective

The *Business to Arts* Board of Directors (called the 'Directors' in this policy) aims to ensure that the Directors are aware of their obligations to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of *Business to Arts*.

3. Scope

This policy applies to the Directors of *Business to Arts*.

4. Definition of Conflict of Interest

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

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 charity and therefore must be managed accordingly.

5. Policy

This policy has been developed because conflicts of interest commonly arise, and do not need to present a problem to the charity if they are openly and effectively managed. It is the policy of *Business to Arts* 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 *Business to Arts*.

Business to Arts manages conflicts of interest by requiring 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.

5.1 Responsibility of the Board of Directors

The Directors are 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



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The Directors should ensure they are aware of their legal obligations in the management and control of their charity and should refer to the Charities Regulator's 'Guidance for Charity Trustees' for further information on this OR consult the Charities Regulator website

5.2 Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into *Business to Arts*' register of interests, as well as being raised with the Directors. The register of interests must be maintained by the Chief Executive. The register should record 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

In order to support Directors to disclose their conflicts of interest, the level of confidentiality associated with any disclosure should be set out. The levels of confidentiality are

- High
- Low

Access to the information disclosed is restricted to the Directors, Executive and Auditors of *Business to Arts*.

6. Action required for management of conflicts of interest

6.1 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 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 charity trustee from regularly participating in discussions, it may be worth the Board of Directors considering whether it is appropriate for the person with the relevant conflict be asked to resign.

6.2 Considerations when deciding what action to take

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

- the conflict must be avoided or (simply) documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- identify alternative options to avoid the conflict
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the charity.

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



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7. Compliance with this policy

If the Directors have 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 Directors may take action against the person. This may include seeking the person's resignation from the charity.

If a person suspects that a Director has failed to disclose a conflict of interest, they must:

- discuss with the person in question,
- notify the Chair / Board of *Business to Arts* OR the person responsible for maintaining the register of interests (the Chief Executive).

Contacts

For questions about this policy, contact the Chair or Chief Executive of *Business to Arts*.

This policy was adopted at a meeting of the Board of Directors of *Business to Arts*

By

Secretary

Date

29-1-2019

