

Executive summary

The Bribery Act 2010 came into force on 1 July 2011. In anticipation of this and in order to ensure that Compton Verney has policies and procedures in place to protect staff and Governors from any suspicion of impropriety or inappropriate gain from their connection with the charity, CVHT's conflict of interest paper was approved by the Governors in February 2011. Hereafter it will be circulated annually with the Governors' Report and Accounts and all Governors will be asked to complete the declaration of interest form attached. The completed forms should be signed and returned to the Chief Executive for filing in the Register of Interests.

What is a conflict of interest?

Conflicts of interest give rise to a risk that a Governor or member of staff may be interpreted, even if incorrectly, as promoting interests other than Compton Verney's best interests or using his or her position to gain benefits of some sort. In the words of the Charity Commission "perception is as important as reality"¹. Therefore even where there is no actual conflict, Compton Verney must be able to demonstrate it monitors the issue of perceived conflict to manage possible reputational risk. Such risks may arise for instance where a Governor or member of staff:

- stands to derive substantial gains (personally, in another capacity, or for a close relative or associate) from a decision of the Board or its members, or from an activity of its related parties in which he or she can reasonably be expected to have played a part; or from information gleaned in the course of his or her duties as a Governor or staff member;
- is an employee, director or major shareholder in a company or organisation which has or seeks a contractual relationship with

¹ Charity Commission Regulatory Case Report: Wildlife Aid (May 2011)

Compton Verney, its Board members, its related parties or a close associate or relative of such a person. (This is only relevant where a Governor could reasonably be expected to have played a part in the Compton Verney decision. Most such decisions are taken by Compton Verney staff with no Board involvement. The Chief Executive and his staff are responsible for taking action to avoid conflicts of interest in these cases);

- has a role in choosing between candidates for jobs at Compton Verney any of whom are close associates or relatives;
- has a senior position in some other body or company whose interests could be seen to compete or conflict with those of Compton Verney, and still participates in a collective debate or decision on a related issue;
- is claiming expenses from Compton Verney but is substantially fulfilling the interests of some other party in undertaking the activities for which the expenses are claimed.

Summary of recommended policy

Individuals must take responsibility for judging when a risk is significant or could be perceived as such. When it is, or if they are in doubt, they should observe this guidance, which applies whether a conflict surfaces in the first instance in the context of Compton Verney or of other activities outside Compton Verney.

- Conflicts of interest should be avoided where possible;
- Staff and Governors should avoid giving reasonable grounds for an impression that personal interests have affected the decisions or actions of Compton Verney or associated parties.
- The difficulty should be discussed with the Chairman (Governors) or Chief Executive (staff), where possible in advance, the right course of action agreed on and the decision recorded;
- Staff and Governors should ensure that the fulfilment of their responsibilities to Compton Verney are not compromised by any conflict;

Where a conflict is relevant to a discussion of the Board or its committees, a Governor should

- if possible declare the interest to the Chairman in advance of that discussion;

- where that is not possible (for instance because the subject arises unexpectedly), interrupt the discussion as soon as the possibility of conflict becomes apparent and declare the interest to the Chairman.

The Chairman will decide in what way any such possible conflicts of interest should be handled. The declaration of the interest and the Chairman's decision will be minuted.

In some circumstances it may be necessary for a Governor who has or acquires a separate or potentially conflicting interest in the same field as Compton Verney either to give up that interest or to resign as a member of the Board.

Senior staff and Governors will be required to fill out a Declaration of Interests form on appointment, and it will be updated annually.