

HER WAY FORWARD CIC

Conflicts of Interest Policy

1. Purpose and Scope

1.1 Purpose

This policy protects the integrity of the CIC's decision-making, maintains stakeholder confidence, and safeguards the CIC's reputation and legal standing. It explains how the CIC identifies, declares and manages conflicts of interest in practice.

1.2 Who this applies to

This policy applies to:

- Directors; and
- any person involved in financial decision-making, procurement, commissioning, supplier selection, funding applications, expenditure of restricted/externally provided funds, or delivery/oversight of externally funded or regulated activity on behalf of the CIC *(including employees, contractors and volunteers where relevant)*.

1.3 Policy precedence

Where law, regulation, contractual terms, or oversight requirements impose stricter requirements than this policy, the stricter requirements will take precedence.

2. Definitions

2.1 What is a conflict of interest?

A conflict of interest exists where an individual's actual, potential or perceived interests *(or duties to another organisation)* could improperly influence, or reasonably appear to influence, their decision-making for the CIC.

2.2 Types of conflict *(examples)*

- Direct financial interest: the CIC paying a Director or decision-maker for consultancy, training, fitness instruction, or other services.
- Indirect financial interest: the CIC contracting with a business owned/controlled by a family member, partner or close associate.
- Conflict of loyalty: a Director who is also a trustee/director/employee of an organisation competing for the same opportunity, contract, or resources.
- Gifts/hospitality influence: any benefit that might reasonably be perceived to affect impartiality.

2.3 Connected persons

For this policy, “connected persons” include (*as applicable*): spouse/partner, close family members, and any business or organisation where the individual (*or a connected person*) has significant control, ownership, employment, trusteeship or other material influence.

3. Duties to Declare

3.1 On appointment and annually

All Directors must complete a Declaration of Interests:

- on appointment;
- at least annually; and
- promptly whenever circumstances change.

Other covered decision-makers must declare relevant interests:

- when they take up their role (*where applicable*); and
- whenever a new material interest arises.

3.2 Standing agenda item

“Declarations of interest” will be a standing item at:

- every Board meeting; and
- every general meeting where governance decisions are taken.

3.3 Immediate disclosure during meetings and work activity

If an individual becomes aware of a conflict during a meeting or while conducting CIC business (*including procurement, contracting, commissioning, or delivery/oversight activity*), they must declare it immediately to the Chair (*or, if the Chair is conflicted, to another non-conflicted Director*).

4. Register of Interests and Records

4.1 Register of Interests

The CIC will maintain a Register of Interests recording declared interests and relevant gifts/hospitality. The register will be held by the Company Secretary or a nominated Director and retained with governance records.

4.2 Access to the register

The register must be available to:

- the Board (*on request*);
- auditors/independent examiners (*if applicable*); and
- any regulator, commissioner, inspector, or oversight body where required.

4.3 Minute-keeping and audit trail

Meeting minutes (*or written decision records where decisions are taken outside meetings*) must record:

- the nature of the conflict;
- who declared it and when;
- actions taken (*e.g., withdrawal/recusal*); and
- the rationale for the decision and value-for-money evidence where relevant.

5. Managing Conflicts in Decision-Making

This section applies to decisions about procurement, contracting, commissioning, payments, funding applications, use of restricted/externally provided funds, and delivery/oversight of externally funded or regulated activity.

5.1 Initial assessment (*materiality*)

After disclosure, the non-conflicted Directors will decide whether the interest is material and what management steps are required. Where appropriate, the CIC may seek independent advice.

5.2 Recusal and withdrawal

A conflicted individual must:

- take no part in discussions, recommendations, scoring, supplier selection or approvals on the affected matter;
- withdraw from the room (*or call*) for the relevant item; and
- not be counted towards quorum for that decision.

5.3 Quorum for conflicted decisions

A meeting (*or decision*) will only be quorate for the affected item if:

- it meets the quorum requirements in the CIC's governing documents; and
- there are at least two non-conflicted Directors participating in the decision.

5.4 If conflicts prevent a valid decision

If conflicts mean a quorate decision cannot be reached, the decision must be:

- deferred, or
- referred for independent input (*e.g., an independent adviser or suitably qualified independent person*), and/or
- taken using an alternative process that ensures decisions are made only by non-conflicted persons and are fully documented.

5.5 Additional controls for procurement and paid engagements

Where a conflict relates to a proposed contract, supplier, paid role or purchase, the CIC will ensure proportionate controls to demonstrate fairness and value for money, which may include:

- obtaining competitive quotes or benchmarking (*proportionate to the value/risk*)
- documenting the selection criteria and comparison;
- requiring approval by non-conflicted Directors only; and
- ensuring the conflicted person does not manage, supervise, approve invoices for, or evaluate the performance of the connected supplier/contractor.

6. Director Remuneration, Personal Benefit and the CIC Asset Lock

6.1 Principle

In line with CIC requirements and the CIC's asset lock, the CIC will not distribute profits to Directors other than reasonable remuneration for services provided and properly contracted.

6.2 Process

Any decision on Director pay, fees, or contracts involving a Director (*or connected person*) must be made:

- by non-conflicted Directors only;
- with appropriate value-for-money evidence (*e.g., quotes/benchmarks*); and
- with the conflict and rationale fully minuted.

7. Gifts and Hospitality

7.1 General rule

Directors and decision-makers must not accept gifts or hospitality that could reasonably be perceived to influence decision-making.

7.2 Declaration and recording

Any gifts or hospitality offered, given or received in connection with CIC business must be declared and recorded in the Register of Interests.

8. Breaches and Enforcement

Failure to declare or manage a conflict may result in:

- the decision being reviewed and, where possible, remade correctly;
- removal of the individual from the relevant decision-making role; and/or
- Board action in line with the CIC's governance processes and (*where relevant*) contractual/disciplinary procedures.

9. Legal Context (*Directors*)

Directors must comply with their statutory duties under the Companies Act 2006, including:

- duty to avoid conflicts of interest (*s175*); and
- duty to declare interests in proposed transactions/arrangements (*s177*) and, where relevant, existing transactions/arrangements (*s182*).

Nothing in this policy replaces those statutory duties. This policy explains how the CIC will operationalise them.

10. Review and Induction

10.1 Review

This policy will be reviewed annually and after any material governance change or significant incident.

10.2 Induction

New Directors and relevant decision-makers will be briefed on this policy and required to complete a Declaration of Interests on appointment.