

Managing conflicts of interest or potential conflicts of interest

1 Introduction

1.1 This policy's principles and requirements should be observed by all involved in decision-making on behalf of the MS Society or representing it publicly. It applies in particular to:

- Members of the MS Society ('the Society') in governance roles i.e. Trustees, Council members, and local group co-ordinating team members
- All staff, individual contractors and consultants
- External advisers and members of panels, committees and advisory groups.
- Those in public-facing roles associated with the MS Society e.g. Ambassadors.

1.2 The purpose of this document is to protect the reputations of and maximise the credibility of both the charity and of individuals through the minimisation of the risk of potential conflicts of interest arising and of any perception, real or otherwise, that individuals' external interests and affiliations might interfere with their ability to work towards the furtherance of the charity's objectives.

2 What is a conflict of interest?

2.1 A conflict of interest is any situation in which the personal interests of an individual volunteer or member of staff, or the loyalty which they owe to another organisation or person, could influence, or appear to influence, a decision they make or impact the MS Society's reputation. This might include:

- Pecuniary (or financial interests) such as shares, employment, substantial gifts of monetary value or other payments to an individual or close relative (such as a spouse) from an organisation or individual relevant to the MS Society's activities.
- Non-pecuniary (non-financial interests) relating to loyalties or relationships between an individual or close relative (such as a spouse) with an organisation or individual relevant to the MS Society's activities.

2.2 All members of the MS Society, volunteers and staff are bound by the MS Society's Code of Conduct, which includes the duty not to "pursue personal issues or policies which conflict with those of the Society". The

principles of working in the Society's strategy ('Together to beat MS') are fundamental to how the MS Society works as a whole. However, for those who are involved in making decisions on behalf of the MS Society, either as an inherent part of their role or on an ad hoc basis, there are additional individual responsibilities that result from working or carrying out those roles which would apply within any organisation, but apply particularly within a charity given the importance of public trust and accountability.

- 2.3 The MS Society recognises that it is inevitable that conflicts or potential conflicts of interest will occur from time to time. The issue is not the integrity of the office holder or staff member concerned, but the management of any conflict to ensure that the MS Society's values are upheld and seen to be upheld so that all affected by MS can have confidence that the MS Society seeks to work in their best interests at all times. All potential conflicts of interest should be declared in advance, or advice sought to clarify the situation, so that they can be managed.
- 2.4 Even the appearance of an unmanaged conflict of interest can damage an organisation's reputation, so conflicts need to be managed carefully. This policy is intended to protect the MS Society and its work, those in governance, decision-making or public-facing roles and staff from accusations of bias or impropriety.

3 The Seven Principles

- 3.1 The MS Society expects the following standards to be observed at all times. These standards are based on the Seven Principles of Public Life (the 'Nolan Principles').
- **Selflessness** - Individuals should act in terms of the interest of people affected by MS and the MS Society. They should not do so in order to gain financial or other benefits for themselves, their family or their friends, other than allowed within the MS Society's policies for support of those affected by MS.
 - **Integrity** - Individuals should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties and roles.
 - **Objectivity** – in carrying out their roles for the MS Society, including making appointments, awarding contracts, or recommending individuals for rewards and benefits, individuals should make choices on merit, upholding the MS Society's policies on diversity and inclusion.
 - **Accountability** - Individuals are accountable for their decisions and actions to the Board (whether directly or, for most individuals, indirectly) and the Board is accountable ultimately, to the membership of the MS Society, and must therefore submit themselves to whatever scrutiny is appropriate to their office or role.

- **Openness** - Individuals should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when other specific interests, such as commercial sensitivity or personal confidentiality, clearly demands. The MS Society is a single organisation, and there is no information that can be justifiably withheld by any individual or any part of the organisation from the Board or those acting on its behalf (including the chief executive and members of staff reporting through the chief executive)..
- **Honesty** - Individuals have a duty to declare any private interests relating to their duties or role and to take steps to resolve any conflicts arising in a way that protects the interests of those affected by MS and the MS Society.

4 Leadership

- 4.1 Individuals, particularly Trustees, Council members, senior staff, and members of the co-ordinating team of local groups should promote and support these principles by leadership and example.
- 4.2 These principles should facilitate positive and transparent arrangements for decision-making in the MS Society. It is an individual's responsibility to ensure that they adhere to these principles, identify potential conflicts before they become problematic and seek advice on the way forward.
- 4.3 Failure to declare or manage conflicts of interest can damage the reputation of the MS Society, and disciplinary (or equivalent) action may be taken if an individual has been found to breach the principles.

5 The legal position

- 5.1 Charity law states that Trustees cannot receive any benefit from his or her charity without explicit authority being given in the governing document.
- 5.2 Some benefits are allowable under charity law. Reasonable out of pocket expenses are allowable, for example costs that are necessary to allow a Trustee to carry out his or her duties (as outlined in the MS Society's expenses policy) are allowable. Some benefits which are inconsequential or have little measurable value are allowable and not required to be made explicit. The MS Society's constitution states that Trustees may be a beneficiary of the work of the MS Society on an equal basis with other beneficiaries and using the same criteria (e.g. for support grants).
- 5.3 Employees are required to ensure that no outside activities in which they are involved prejudice the Society's interests or services, or create any actual or perceived conflict of interest. If there is any doubt about the application of this requirement, employees should seek clarification from a Director or from the Chief Executive as appropriate.

6 Managing conflicts of interest

- 6.1 The MS Society will maintain a central register of interests of Trustees, Council members, senior staff and others as determined by the Chief Executive on behalf of the Board, and this register will be publicly available. Those who are required to declare their interests are to complete and submit a Declaration of Interests form annually (by 1 January) and amending it at any time when changes occur. Failure to do so may result in disciplinary action being taken.
- 6.2 In order to manage any conflicts of interest, there needs to be transparency where those conflicts of interest arise. This involves the person with the conflict of interest declaring it and ensuring that the conflict of interest is declared and recorded. Where this does not happen, the conflict is unmanaged.
- 6.3 When an item is being discussed at a meeting, individuals are required to declare their interest at the beginning of the item, or when a conflict of interest becomes apparent during the course of a discussion. If an individual is in any doubt as to the relevance of an interest that he or she has, such interest should be disclosed to the secretariat / chair / organiser before the meeting and seek advice. Any declaration of interest will be recorded in the minutes. Where there is a material interest, the office holder or staff member will be asked to withdraw from the meeting and take no part in either the discussion or the decision, and the withdrawal shall be recorded in the minutes.
- 6.4 When the interest relates to a decision which an individual would otherwise make themselves (e.g. the award of a contract) then the individual's line-manager or equivalent shall decide what is appropriate (for example this may include satisfying themselves that the decision is appropriate, making the decision themselves or assigning the decision-making to another individual).
- 6.5 In a small number of cases, a major conflict of interest may arise which compromises an individual's ability to continue in their role within the charity and which is not capable of being managed as outlined above:
- In the case of staff: Where such a situation arises then, given the member of staff's responsibility outlined at 5.3 above, this should be discussed with the individual's line manager / director or chief executive as appropriate, in order to agree how the conflict can be removed. All parties are encouraged to seek the advice of the HR team if a situation reaches this point.
 - In the case of volunteers: Where such a situation arises this should be discussed with the chair of the relevant Board / Committee/ Panel and its supporting secretariat. The aim would be to remove the conflict and solutions could range from removing themselves from the conflicting position or ultimately resigning their voluntary position or being removed from it.

7 Gifts and acceptance of hospitality

- 7.1 The MS Society has a separate policy covering gifts and acceptance of hospitality, one purpose of which is to manage risks associated with perceptions of conflicts of interest.