

Devon Federation of Young Farmers' Clubs

Policy for conflict of interest and issues that may arise

A conflict of interest is any situation in which a Director's (or a Trustee's) personal or pecuniary interests or interests which they owe to another body arise simultaneously or appear to clash.

We recognise that it is inevitable that conflicts of interest occur. The issue is not the integrity of the Director concerned but the management of any potential to profit from a person's position as Director or for a Director to be influenced by conflicting loyalties. Even the appearance of a conflict of interest can damage the Federations reputation, so conflicts need to be managed carefully.

The need to declare and manage conflicts of interest does not just apply to Directors.

Declaration of Interests

The Chairman and Company Secretary (Operations Manager) will discuss the potential for any conflicts of interest with new Directors before they are appointed.

The DFYFC Company asks its Directors to declare their interest and any gifts or hospitality received in connection with their role in the organisation.

In order to be effective, declaration of interests need to be recorded at each Board of Management meeting in the minutes. Directors are responsible for notifying any changes to the Company Secretary as soon as possible. Any Director who is not sure what to declare or whether their declaration needs to be updated should err on the side of caution.

Interests will be recorded in the minutes of the Board of Management which will be maintained by the Company Secretary and will be accessible by the Chair, fellow Directors and the company's auditors.

Managing conflicts of interest

All Directors need to be alert to possible conflicts of interest which they might have and to how they can minimise the effects. A key aspect of minimising the effects of conflicts of interest is to be open and transparent about such situations as and when they arise. All Directors should advise the Company Secretary of any actual or potential conflicts of interest of which they are aware as they arise. This will be a standing item on the agenda of Board meetings.

Procedures to follow when a Director is subject to a conflict of interest

- The removal of the Director concerned from the decision making process.
- Manage the conflict of interest once a decision has been made.
- Recording of the details of the discussions and decisions made.
- At the beginning of any meeting, every Director should declare any private interest which he or she has in an item to be discussed and certainly before any discussion of the item itself. Simply declaring that a conflict exists and withdrawing from the discussion and any decision making will be all that is required if the Director is not receiving any material benefit as a result of the conflict of interest.