

Soar Radio Conflict of Interest Policy

Contents

| | | |
|----------|---|----------|
| 1 | Document Information | 2 |
| 2 | Introduction | 3 |
| 2.1 | Vision..... | 3 |
| 2.2 | Objects | 3 |
| 3 | Purpose of the Policy | 4 |
| 3.1 | What is a conflict of Interest? | 5 |
| 4 | Register of Interest | 6 |
| 4.1 | Identifying Conflicts of Interest | 6 |
| 5 | How this policy will be monitored and enforced | 7 |
| 6 | Monitoring and Review..... | 8 |

1 Document Information

Policy: Soar Radio Conflict of Interest Policy

Version: 2.0

Ratified: 9th March 2024

Status: Draft/Live

Issued: 5th March 2024

Website Link:

Approved By Directors: Yes

Consultation: None

Equality Impact Assessment Completed: No

Distribution: All individual members and group members' representative of the company.

Implementation Date:

Planned Review Date: 5th March 2025

Author: Rob Watson (Operations Development Director of Soar Sound)

Soar Sound's Safeguarding Officer:

Policy Validity Statement: Policy users should ensure that they are consulting the currently valid version of the documentation. This document will be reviewed one year from its issue date.

Approval: The policy will remain valid, including during its period of review. However, the policy must be reviewed next year and afterwards at least once in every three-year period.

2 Introduction

This policy sets out how Soar Sound will fulfil its statutory duties and responsibilities effectively, both within its own organisation, and for the affiliated groups and members that help with Soar Sound's not-for-profit vision and public purpose objectives.

2.1 Vision

Soar Sound seeks to provide broadcast radio and other online and legacy media services that are not for private gain, with any surplus or assets used principally for the benefit of the community.

2.2 Objects

The objects of the company are to carry on activities which benefit the community and in particular (without limitation) to carry out radio broadcast and media production services that will benefit communities resident in Leicester and Leicestershire, and in particular, and without limitation, with a focus on public education, wellbeing, mental health, economic development and employment.

Soar Sound supports all services, projects and activities that meet our not-for-profit objectives, as above, through offering publicity in our Soar Sound radio service and other media services.

3 Purpose of the Policy

In the UK, potential conflicts of interest for directors are defined and regulated under the Companies Act 2006. This legislation sets out a framework to ensure directors act in the best interests of their company, avoiding situations where there might be a direct or indirect conflict between the company's interests and their personal interests or duties to other organisations.

The Companies Act 2006 stipulates several key provisions related to conflicts of interest:

- i. **Duty to Avoid Conflicts of Interest (Section 175):** Directors must avoid situations in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company. This applies to the exploitation of any property, information, or opportunity, regardless of whether the company could actually take advantage of it.
- ii. **Declaration of Interest in Existing Transaction or Arrangement (Section 177):** A director is required to declare the nature and extent of any interest, direct or indirect, in a proposed transaction or arrangement with the company. This declaration must be made before the company enters into the transaction or arrangement.
- iii. **Declaration of Interest in Proposed Transaction or Arrangement (Section 182):** Similar to Section 177, this section requires a director to declare any interest in a transaction or arrangement that the company has already entered into. The declaration should be made as soon as is reasonably practicable.

The Act also provides mechanisms for managing conflicts of interest, including authorising conflict situations in advance by the non-conflicted directors or by the company's shareholders. Directors are expected to follow these provisions closely to ensure they maintain the trust and act in the best interests of the company they serve.

Additionally, many companies adopt articles of association that include specific provisions for dealing with directors' conflicts of interest, often tailoring these provisions to suit the particular needs and circumstances of the company.

It's important for directors to be mindful of these regulations and to seek guidance or legal advice when navigating situations that might lead to a conflict of interest. This ensures not only compliance with legal obligations but also upholds the integrity and reputation of the company.

The purpose of this policy is to help directors to be able to identify conflicts of interest and to act appropriately where a conflict of interest does arise.

3.1 What is a conflict of Interest?

When a director's loyalty or duty to another person or organisation prevents the director from making decisions only in the best interests of the company. This includes:

- The property and funds of the company must be used only for promoting the Objects and do not belong to the members or the directors.
- In accordance with UK company regulations, a director of a company may receive a monetary or material benefit under conditions where the benefit is extended at a market rate, ensuring fairness and transparency in transactions.
- Specifically, this stipulation mandates that any such benefits granted to a director must be on terms that are not more favourable than those which would be offered in a comparable transaction to an unrelated party.
- Additionally, it is imperative that these benefits are equally available to other directors or associates of the company, thereby upholding the principles of equality and non-discrimination among the board members and associates.
- This provision aims to mitigate potential conflicts of interest, ensuring that directors' decisions are made in the best interest of the company and its shareholders, without undue influence or personal gain. The Constitution lists exceptions to the statement above, as Directors are allowed to be reimbursed for out-of-pocket expenses and for liabilities properly incurred in running the Company.
- A Director may not be an employee of the Company, but a director or connected person may enter into a contract with the company to supply goods or services in return for a payment or other material benefit. (This clause requires the directors to agree with correct procedures that the goods or services are required and other checks, as listed in the constitution).
- Whenever a director has a personal interest in a matter to be discussed at a meeting of the director or a committee, he or she must declare an interest before the meeting or at the meeting before discussion begins.

- He or she must be absent from that part of the meeting unless expressly invited to remain in order to provide information. He or she must not be counted in the quorum for that part of the meeting and be absent during the vote and have no vote on the matter.

4 Register of Interest

The directors will keep a written register of interests document, with the following headings:

- Name of director
- Description of interest or loyalty
- Does the loyalty affect the director, or a person connected to the director?
- Is the interest current?

This form should be updated regularly and at least annually.

4.1 Identifying Conflicts of Interest

- **Conflict of Loyalty or Duty:** Loyalty or duty to another person or organisation could prevent the director from making a decision only in the best interests of the company.
- **Director Benefit:** Money, goods or services with a monetary value are received by a director directly or indirectly. (Not out-of-pocket expenses).

(A list of examples can be downloaded from the [Harper James](#) website by searching for ‘Conflict of Interest examples for a company’)

5 How this policy will be monitored and enforced

- This policy will be widely communicated by all directors and associated parties, as essential reading for all directors and nominated directors.
- The policy will be available to view on the Soar Radio website.
- All members will be informed of the terms they need to search for, which are Conflicts of Interest, as part of a guide for company directors.
- This document supports the values of the Soar Radio Code of Conduct statement and other policies that directors are obliged to follow.

6 Monitoring and Review

Soar Radio will monitor and evaluate the information that is appropriately collected in relation to conflicts of interest, and will make periodic reports to the Director Board, making recommendations for improvements and changes to the Soar Sound's activities and communications.

Signed: Rob Watson

Position: Operations Director

Date: 9th March 2024

Review Date: 5th March 2025

Soar Sound