

## **Document: Conflict of Interest Policy**

**Date:** 14/03/2024  
**Version:** 1  
**Next Review:** 2025  
**Document Owner:** Committee

## **Purpose**

CLENCHWARTON COMMUNITY FOUNDATION TRUST staff and trustees have a legal obligation to act in the best interest of the organisation. Conflicts of Interest may arise where an employee’s personal, family or other interests and/or loyalties conflict with those of CLENCHWARTON COMMUNITY FOUNDATION TRUST. Such conflicts can inhibit free discussion, result in decisions and actions that are not in the interests of CLENCHWARTON COMMUNITY FOUNDATION TRUST, and risk the impression that CLENCHWARTON COMMUNITY FOUNDATION TRUST has acted improperly.

The aim of this policy is to protect CLENCHWARTON COMMUNITY FOUNDATION TRUST, individual employees and trustees from any appearance of impropriety. The policy explains what is meant by the term “conflict of interest”, details measures that should be taken to prevent such conflicts occurring and outlines how any potential conflict of interest should be managed.

The establishment of a register of interests is part of CLENCHWARTON COMMUNITY FOUNDATION TRUST’s commitment to good governance.

## **Definitions and scope of policy**

A conflict of interest is defined as:

“any situation in which an individual’s obligations to CLENCHWARTON COMMUNITY FOUNDATION TRUST differ from their obligations to any third party, from the individual’s personal interests or from those of his/her immediate family, whether financial or otherwise, and when those other obligations and interests may, or may be perceived, to influence the individual’s performance of their obligations to CLENCHWARTON COMMUNITY FOUNDATION TRUST.”

Situation that may give rise to a conflict of interest include, but are not limited to:

- Current employment or self-employment, or any previous employment or self-employment in which you continue to have a financial interest.
- Appointments (voluntary or otherwise) e.g. trusteeships, directorships, local authority membership, tribunal membership etc

Version 01, 19-03-19. All printed and electronic copies and versions of this document except the one on Community Action Norfolk’s SharePoint workspace are considered uncontrolled and used for reference only

- Membership of any professional bodies, special interest groups or mutual support organisations.
- Investments in unlisted companies, partnerships and other forms of business, major shareholding, e.g more than 1% of issued capital and beneficial interests.
- Gifts or hospitality offered to you whether this was declined or accepted.
- Any contractual relationship with CLENCHWARTON COMMUNITY FOUNDATION TRUST or any subsidiary.

Members of staff and trustees must not:

- Use their office or employment for personal gain and should act at all times in good faith and in the interests of CLENCHWARTON COMMUNITY FOUNDATION TRUST.
- Accept gifts or favours offered by an external party. Any such gifts or favours offered should be reported to the Chief Executive or Chair in order to ensure that no suggestion of impropriety could be made in the future.

In order to avoid unnecessary declarations of gifts that are not financially significant, staff and trustees are not required to declare gifts that individually are of a value of £10 or less.

The offer and acceptance of routine hospitality that is made to others as part of the conduct of normal business, for example the provision of lunch or accommodation at a meeting or conference, is not in itself likely to fall within the remit of this policy. However, preferential of individual provision may do and should be declared if there is any doubt.

## Internal relationships

Relationships between members of staff, between members of staff and trustees or between trustees could lead to a conflict of interest. For example, a personal relationship between a Trustee and a Manager could lead to a suspicion of favouritism or preferential treatment when making decisions on promotion, pay-rises, access to training etc. Such relationships should be declared in the same way as relationships with external suppliers or similar. Declarations of such relationships will need to be handled in a more sensitive manner and issues of confidentiality will need to be considered more carefully.

## Declaration of Interests Procedure

It is up to each individual to decide if a conflict of interest could exist and, if so, to declare it. When deciding on such matters, consideration must be given to how things could appear to others and, in all cases, staff and trustees should err on the side of caution, declaring an interest if there is any possibility that a conflict of interest exists.

CLENCHWARTON COMMUNITY FOUNDATION TRUST asks its staff and trustees to declare their interest and any gifts or hospitality received in connection with their role in the organisation.

A Declaration of Interests form is provided for this purpose, listing the types of interest that should be declared. Interests will be recorded on CLENCHWARTON COMMUNITY

Version 01, 19-03-19. All printed and electronic copies and versions of this document except the one on Community Action Norfolk's SharePoint workspace are considered uncontrolled and used for reference only

FOUNDATION TRUST's Register of Interests which will be maintained by the Office Manager and will be accessible by the Chair, Trustees, Management Team and the company's auditors.

Declarations of Interests will be updated annually by asking staff and Trustees to confirm that the information contained in the Declaration of Interest form is still valid. Any changes during the year will be entered as notified to CLENCHWARTON COMMUNITY FOUNDATION TRUST. Members of staff are responsible for notifying any changes to the Office Manager as soon as possible.

## Managing Conflicts of Interest

A completed declaration of interest form does not replace the need for staff and trustees to declare relevant interests during the course of the business of a meeting or during day to day activity if appropriate.

This may arise if

- An employee
- Member of their immediate family
- Other close personal contact or
- Organisation in which they hold office or employment

is a user or beneficiary of CLENCHWARTON COMMUNITY FOUNDATION TRUST's services, grants or faces a conflict for commercial or business-related reason, they must not engage in decisions that affect them. They must declare their interest at the earliest opportunity. At the discretion of the Chair an individual may continue to be involved in any discussion where their interest results in insight that may be beneficial but must withdraw from any decision making process. (Employees may participate in discussions from which they may indirectly benefit, e.g. where benefits are universal to all users, or where the benefit is minimal).

Where an employee or Trustee has a conflict of interest, they must not be involved in selecting a contractor or managing and monitoring a contract in which they have an interest. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

All decisions under a conflict of interest will be recorded and reported in the minutes or other record of the meeting. The report will record:

- The nature and extent of the conflict
- An outline of the discussion
- The actions taken to manage the conflict

Where an employee or person they are close to benefits from the decision, this will be reported in the Annual Report and Accounts in accordance with SORP requirements.

Trustees are prohibited from receiving any direct personnel benefit or benefit to close relations without the consent of the Charity Commission.