

Hardington Mandeville Village Hall

Registered Charity No: 304551

High Street, Hardington Mandeville, Yeovil, BA22 9PQ

Conflict of interest Policy

Definition

Trustees have a legal duty to act only in the best interests of their charity. They must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have.

Conflicts of interest usually arise where either:

- There is a potential financial or measurable benefit directly to a trustee, or indirectly through a connected person
- A trustee's duty to the charity may compete with a duty or loyalty they owe to another organisation or person

Purpose

The aim of this policy is to:

1. Protect the integrity of the decision-making process.
2. Enable others to have confidence in that process.
3. Protect the integrity and reputation of the members of the Village Hall Management Committee.

Policy

The Village Hall Committee recognises that they

1. Have a legal duty to act only in the best interest of the charity.
2. Have a personal responsibility to declare conflicts of interest.
3. Should strive to avoid any conflicts of interest between the charity and any personal, professional or business interests.
4. Should strive to avoid a perception of any conflict of interest, as well as avoiding actual conflicts of interest.

The Village Hall Committee will

- Include an item on the agenda for each meeting for declarations of interest.

When a trustee identifies that they have a potential conflict of interest they must:

- Declare it as soon as they become aware of it
- Ensure it is minuted in the appropriate Committee meeting minutes (one off conflicts)
- Not take part in any decision making related to the matter
- Not be counted in the quorum for decision making related to the matter

In the interests of frank and open discussion, a trustee affected by a conflict of interest must leave the room while the related discussion / decision making is taking place, unless there is a good reason for them to stay.

The minutes will state:

- The declared conflict
- That the trustee left the room, or the reason they were asked to stay.
- That the trustee took no part in the discussion or decision-making on the matter.
- That the meeting was quorate (not counting the affected trustee).
- Any other actions taken to manage the conflict.

Low or No Risk of Conflict of Interest

The Committee recognises that there may be instances where a benefit to an affected trustee is universal (that is, it will benefit all hall users), and where any benefit to that trustee is inconsequential or of little measurable value.

In situations of low or no risk conflict of interest, the Committee may permit the affected trustee to participate in the decision-making progress, and will record their decision and their reason for it in the minutes.

Charity Commission Advice and Permission

If a conflict of interest arises that is not covered by the trust deed or is not authorised by this policy, the unaffected trustees may authorise such conflict of interest provided that:

- The Charity Commission's permission is sought before a direct benefit is authorised.
- The Charity Commission's advice and permission, and all steps taken to follow the advice are recorded in the minutes.
- Ensure that every trustee understands what constitutes a conflict of interest, and that they have a responsibility to recognise and declare any conflicts that might arise for them.
- Document the conflict and the action(s) taken to ensure that the conflict does not affect the decision making of the charity.

This means that they should handle conflicts of interest using the following steps:

Trustees:

- Each have an individual personal responsibility to declare conflicts of interest which affect them
- Should have strong systems in place so that they are able to identify conflicts of interest

Trustees:

- Should formally record any conflicts of interest and how they were handled
- A conflict of interest exists even where there is the possibility that a trustee's personal or wider interests could influence the trustee's decision making.
 - Each trustee's legal duty to act only in the best interests of the charity means in practice that individual trustees who fail to declare any conflicts of interest will fail to comply with their trustee duties.

For further details:

<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees>

This policy provides a framework for dealing with “Conflicts of Interest “and will be reviewed annually.