Kentford and Kennett Village Hall

Conflict of Interest Policy

Overview

The purpose of this policy is to ensure that Trustees understand what a conflict of interest is, and to lay out clear guidelines by which such conflicts may be identified and dealt with.

The Charity Commission defines a conflict of interest as: "… *any situation in which a Trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the Charity."*

Conflicts of interest commonly arise in small charities. The most important thing is to ensure that they are dealt with promptly and effectively, to protect the Charity from any actual or reputational damage that could otherwise result.

Trustees and Management Committee members have a legal duty to act in the best interests of the Charity, and they should strive to avoid both the reality and the appearance of any conflicts of interest.

Examples of Potential Conflicts of Interest

- A Trustee or Management Committee member may have a business interest in the awarding of a contract or in the provision of services to the Charity.
- A Trustee or Management Committee member may be related to a member of staff or the provider of a service and there is a decision to be taken on staff pay or the terms of the provision of the service.
- A Trustee or Management Committee member may be on the committee/board of another charity/organisation that is competing for the same funding.

Action Required to Manage a Conflict of Interest

If a Trustee or Management Committee member becomes aware of a conflict or perceived conflict of interest in relation to him/herself, or in relation to another Trustee, he/she has a duty to act promptly and effectively to address it.

In Meetings

- If a Trustee or Management Committee member has a conflict of Interest, it should be declared at the start of every meeting in a standing agenda item. As well as membership of other organisations, all attendees should declare items of interest on the meeting agenda
- A Trustee or Management Committee member must disclose any interests in a transaction or decision where there may be a conflict between the Charity's best

interests and the interests of the Trustee or another charity/organisation that the Trustee is involved with.

- To manage the declared conflict, the Trustee or Management Committee member should consider whether it is appropriate to participate in discussion of the relevant issue, and should not participate in any vote on the matter. In some cases it may be appropriate to leave the room, including at the request of one or more Trustees or Management Committee members.
- The other Trustees or Management Committee members who have no conflict of interest in the matter should consider the matter and determine the outcome in the best interests of the Charity.
- The Trustees or Management Committee members may consider that a conflict of interest can be determined by another committee authorised to act on behalf of the Charity.

Outside Meetings

- Any conflict or perceived conflict of interest arising outside meetings should be brought to the attention of the Chairman or any other Officer of the Charity.
- Conflicts of interest arising outside meetings may be addressed:
    - at a meeting of the Management Committee
    - at the next meeting of the Board of Trustees

This policy is meant to supplement good judgment, and Trustees should respect its spirit as well as its wording.

Reviewed January 2024