

Watford Park U3A Conflict of Interest Policy

Definition: A conflict of interest is any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of the charity (source: Charity Commission document CC29 Conflict of interest: a guide for charity trustees).

Below are some examples of conflict of interest situations. For more in-depth information please refer to The Charity Commission's booklet: CC29 Conflict of interest: a guide for charity trustees.

Direct financial gain or benefit to the trustee, such as:

- payment to a trustee for services provided to the charity;
- the award of a contract to another organisation in which a trustee has an interest and from which a trustee will receive a financial benefit; or
- the employment of a trustee in a separate post within the charity, even when the trustee has resigned in order to take up the employment.
- indirect financial gain, such as employment by the charity of a spouse or partner of a trustee, where their finances are interdependent;
- non-financial gain, such as when a user of the charity's services is also a trustee; and
- conflict of loyalties, such as where a trustee is appointed by the local authority or by one of the charity's funders, or where a friend of a trustee is employed by the charity.

Definition: Connected persons to Trustees

- A connected person is someone whose interests the trustee would wish to further.
- A connected person may be a relative by blood or marriage, or a business associate or partner.

Decision making

- Any trustee who has a financial interest in a matter under discussion, undertakes to declare the nature of their interest and withdraw from the room, unless they have a dispensation to speak.
- If a trustee has any interest in the matter under discussion, which creates a real danger of bias, that is, the interest affects their, or a connected person (see below) more than the generality affected by the decision: they undertake to declare the nature of the interest and withdraw from the room, unless they are given a dispensation to speak by the other trustees.
- If a trustee has any other interest which does not create a real danger of bias, but which might reasonably cause others to think it could influence their decision they undertake to declare the nature of the interest, but may remain in the room, participate in the discussion, and vote if they wish.
- If in any doubt about the application of these rules the trustee undertakes to consult with the chair.
- All contracts with a value in excess of £2,000 as a single entity or engendered by study group fees during the course of one 12 month period shall be subject to competitive quotation.

(Updated 3rd March 2019)

