

Conflict of interest policy

Definition of conflicts of interest

A conflict of interest is any situation in which the personal interests of trustees seem to conflict with those of The Wollstonecraft Society (WS) which they govern. This personal interest can be direct or indirect, and it can include the interests of parties connected to the trustees. This policy applies to all members of the Board of Trustees.

Under charity law a connected person includes the following:

- a child, parent, grandchild, grandparent, brother or sister of the trustee
- the spouse or civil partner of the trustee or of any person listed above
- a person carrying on business in partnership with the trustee or with any person listed above
- an institution which is controlled by the trustee or by any person listed above
- a body corporate in which the trustee or any connected person, listed in any of the first 3 points above, has a substantial interest WS.

It is unlikely that conflicts of interest can be completely avoided but the conflict should be managed to avoid any adverse effect on WS and to promote maximum accountability and transparency in the affairs.

Possible conflicts or perceived conflicts should be considered as well as actual conflicts as WS's name and reputation are very important.

The legal background to conflicts of interest

Members of the governing body of WS are under a legal obligation to act in the best interests of the charity. It does not matter how the trustee was appointed, while they are on the governing body they have a duty to the charity and this must take precedence. If this is unachievable or if the conflicts are so regular that the trustees value is significantly reduced, then they must resign from the post or cease the conflicting activity.

Procedures for managing conflicts of interest

1. Identify the conflict

The first step is to identify a conflict of interest. This can be difficult as the issues can be quite complex. Some common instances of conflicts of interest are the following:

Direct payment of trustees—such payments are specifically excluded in our governing document Where a trustee or a person connected to the trustee receives payment, that trustee must declare a conflict of interest and not participate in any discussion around the payment. This

should not be confused with the payment of legitimate out of pocket expenses to trustees to reimburse them for expenses they incur while carrying out their duties for WS. If a trustee is paid any monies for any reason, best practice would suggest that this should be fully disclosed in the annual accounts and annual report.

Indirect benefit- a conflict can occur where there is no direct benefit to the trustee, for example if WS employs the spouse of a trustee and both parties share finances, it is clear that there may be a benefit to the trustee.

Potential employment opportunities – if a trustee, or a person connected to the trustee wants to apply for a job with TWS the connected trustee must declare an interest immediately; they should not take part in any discussion around the position, such as setting rates of pay, holidays, job description, etc.

Personal interests – A trustee cannot apply to be the beneficiary of a service provided by the charity. For example a trustee cannot apply as a governor of a local school for free lesson sessions by an associate from the charity. It would be for the head teacher to make the request and for the trustee of the charity not to be involved in the decision.

2. Manage the conflict declared in a meeting

Declare a conflict – once identified, a conflict of interest should be declared at the earliest opportunity.

Leave the meeting – the trustee who declares a conflict should leave the meeting and the other trustees should decide whether their absence is appropriate or necessary.

Decide on next steps – this depends on the conflict, if the board decides that there is no conflict, the individual trustee can go into the meeting. However, if the conflict is of such a low level that it can be tolerated, then WS should determine how to best protect its interests. The trustee may for example absent themselves from parts of the meeting where the conflicting activity is discussed. On the other hand, if the conflicts are so frequent or serious that the trustee's usefulness is considerably lessened, they should resign from their post as trustee or cease the conflicting activity.

Record the process – the process above should be clearly minuted and a register of interests should be held where trustees can record their interests.

3. Gifts and hospitality

All gifts and hospitality should be declared and recorded in minutes or a register kept for this purpose. The information recorded should include its estimated value, the date on which it was received, who it was given by and the reason for the gift.

Gifts and hospitality should never be solicited.

Gifts and hospitality with nominal value can be accepted (less than £25) but only if the gifts are not given or received with an expectation that there is an obligation owed as a result of the gift.

If a gift is received that exceeds the nominal value, the gift should be returned to the sender, the market price should be paid or the gift should be donated to WS directly or to another charitable organisation.

Gifts and hospitality intended to influence organisational decision making should NEVER be accepted.

4. Declaration

A declaration of interests form should be provided for completion, listing the types of interest you should declare.

The declaration of interests must be updated annually and when any changes occur. If you are not sure what to declare, or whether/when your declaration needs to be updated, please err on the side of caution.

If you would like to discuss this issue, please contact the WS chairperson for confidential guidance. Interests will be recorded on WS's register of interests, which will be maintained by the chairperson. The register will be accessible by trustees.

5. Decisions taken where a trustee has an interest

All decisions will be made by vote, with a simple majority required. A quorum must be present for the discussion and decision. Interested parties will not be counted when deciding whether the meeting is quorate. Interested parties may not vote on matters affecting their own interests. All decisions under a conflict of interest will be recorded and reported in the minutes 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.
- Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

6. Data Protection

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 2018 and related legislation. Data will be processed only to ensure that trustees act in the best interests of WS. The information provided will not be used for any other purpose.

Register of Interests declaration

The trustee should set out the conflict in detail and confirm that to the best of their knowledge the above information is correct and complete.

Name of Board Member	Description of interest	Does the interest relate to the board member or a person closely connected to the board member?	Is the interest current?

I agree to review and update this declaration annually. I give my consent for this information to be used for the purposes described in the charity's conflicts of interest policy and for no other purpose.

Signed _____ (Trustee)

Date _____