



Trustee Conflict Of Interest Policy

At Stoborough Nursery we the Board of Management Committee/Charity Trustees are responsible for the overall management of the setting and in doing so, meeting the early education/play/care needs of children in this area.

Definition of Conflict of Interest

A conflict between a person's private interest and their public obligation.

Conflicts of Interest are often created when a trustee stands to profit or personally benefit, either directly or indirectly, from the charity or their role. Or from conflicts of loyalty or duty which may arise if a partner, relation or close friend is employed by the charity; or they are a member, employee or trustee of another organisation that has dealings, or may be in direct competition, with the charity e.g. for a funding bid.

We understand our roles and responsibilities in respect of the children, staff and families who attend or are members of the setting and recognise that at all times we have a duty to act in the best interest of the charity. To this end we understand that we must not use our position as a trustee for our own personal benefit and cannot receive any benefits from the charity including payment for acting as a trustee or preferential treatment as regards employment in the setting for example.

Trustees must avoid all situations that may possibly lead to a conflict of interest and also have a legal duty to declare any potential conflicts of interest between themselves (or a connected person or organisation) and the charity.

Prior legal authorisation is also required in and situation where a trustee potentially stands to receive a material benefit from the charity.

The following procedures for dealing with conflicts of interest have been agreed to and understood by all committee members.

1. The charity maintains a trustee register of interests to help recognise potential conflicts of interest or loyalty for the trustees.
2. Trustees are asked to complete a '*Trustee Declaration of Interests Form*', disclosing any known interests which may conflict with the work of the charity, on invitation to join the charity as a trustee and annually thereafter to keep the '*Trustee Register of Interests*' up-to-date.

3. Significant interests for prospective trustees will be pointed out to the members at the time of trustee elections.
4. Any trustee who has any personal or financial interest (direct or Indirect) in a matter under discussion should declare the potential conflict of interest and withdraw from any discussions and voting on the matter concerned.
5. To ensure transparency, the trustee will usually be asked to leave the room at this point so it cannot be claimed they have influenced the decision in any way; although they may be asked to provide relevant information prior to this.
6. If the conflict of interest involves a trustee receiving material benefit specific legal authority is required:-

- The trustees who do not stand to benefit make the decision over whether it is in the charity's best interests for a trustee to receive a financial or material benefit. The matter is recorded on the '*Trustee Register of Interests*' and the trustee concerned has no involvement.

- The trustees ensure they have the necessary legal authority before proceeding; making an application to the Charity Commission for authority in instances where the setting's governing document does not provide this.

- If legal authority is provided:

- (a) The number of trustees receiving a financial or material benefit from the charity, either directly or indirectly through a connected person or organisation, are always in the minority.
- (b) A written agreement is drawn up setting out the arrangements between the trustee concerned and the charity, and is approved by the trustees who do not stand to benefit.
- (c) Any payments or financial benefits made to a trustee are reasonable for the service provided and do not exceed the amount that would normally be paid by the charity.
- (d) Trustees with a conflict of interest will not be permitted to sign contracts or invoices connected with the conflict.
- (e) Trustees who receive a financial benefit from the charity do not hold one of the Officer positions, as implementing the procedures required to manage the conflict of interest will make it difficult to fulfil certain duties connected to these roles.
- (f) The benefit is clearly recorded in the charity's Annual Report and accounts.

7. Where a trustee withdraws from the discussions due to a conflict of interest, they are not included in the quorum, whether they leave the room or remain present. If this makes the discussion inquorate, voting and decision-making on the matter is postponed until the next quorate meeting.
8. If in any doubt about the application of these rules they should consult with the Chair or contact the Charity Commission for advice.
9. The conflict of interest and the action taken are recorded in the minutes of the

meeting.

Each trustee is responsible for declaring any matters that may present any actual or potential conflict of interest. If uncertain about what matters they should declare then the trustee must raise the issue with other trustees. Trustees will seek advice from the Charity Commission where necessary. The Charity Commission advice and any actions taken in following the advice will be recorded in the minutes.

Trustees must notify the Charity Commission if they find a trustee is receiving an unauthorised benefit, or has not acted in the best interest of the charity. In these cases the trustee concerned may be in breach of trust and may be liable to repay the value of benefit to the charity.

Where a conflict of interest may damage the interests or reputation of the charity the trustee concerned may be asked to take steps to put an end to the situation causing the conflict; if necessary by resigning as a trustee of the charity.

Print Name

Signed Date