

ELATT CONFLICT OF INTEREST POLICY AND GUIDELINES

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WHAT IS A CONFLICT OF INTEREST AND WHAT ISSUES DOES IT RAISE?

Employees, volunteers and trustees should all put the interests of the charity first. A conflict of interests may arise where the objective of the organisation and the interests and loyalties of trustees or employees or volunteers do not coincide or appear to clash.

Employees, volunteers, trustees nor their friends and family should not be favoured especially in terms of service, employment or funding.

Trustees, staff and volunteers have a legal obligation to act in the best interests of the charity, and in accordance with its governing document.

WHAT DOES THE LAW SAY ABOUT CONFLICTS OF INTEREST REGARDING TRUSTEES?

The law states that trustees cannot receive any benefit from their charity in return for any service they provide to the charity unless they have express legal authority to do so. This legal authority will come either from a clause in the charity's governing document or, where there is no adequate clause in the governing document, from the charity commission or the Court.

It is acceptable to repay reasonable out of pocket expenses to trustees. Any costs that are necessary to allow a trustee to carry out his or her duties as a trustee can be classed as expenses and recovered from the charity or met directly by the charity. This may include travel costs and the cost of providing care for a dependent whilst attending a trustee meeting or when undertaking trustee business.

CONFLICTS OF INTEREST MAY COME IN A NUMBER OF DIFFERENT FORMS:

- Direct financial gain or benefit to the trustee, such as payment to a trustee for services provided to the charity or 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 relation or friend of a trustee or external funding for personal interests or loyalties
- Non-financial gain, such as when a user of the charity's services is also a trustee

This policy is non-contractual and may change from time to time.



CONFLICT OF INTEREST POLICY

THE DECLARATION OF RELEVANT INTERESTS

Trustee and senior staff should declare their relevant interests in connection with their role in the charity. A declaration of relevant interests form is provided for this purpose, listing the types of interest you should declare. Failure to declare a relevant interest could justify disciplinary action. This should be updated at least annually and also 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 Charity Secretary for confidential guidance.

Relevant interests will be recorded on the charity's register of interests, which will be maintained by the Charity Secretary & auditing accountants.

DATA PROTECTION

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 1998. Data will be processed only to ensure that trustees and senior staff act in the best interests of the charity. The information provided will not be used for any other purpose.

DECISIONS TAKEN WHERE A TRUSTEE OR MEMBER OF STAFF HAS AN INTEREST

In the event of the board having to decide upon a question in which a trustee or member of staff or volunteer 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 board members may not vote on matters affecting their own interests.

All decisions under a conflict of interest will be recorded by the Charity Secretary 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.

Where a trustee benefits from the decision, this will be reported in the annual report and accounts in accordance with SORP 2000.

MANAGING CONTRACTS/APPLYING FOR FUNDING

Any trustee who has a financial interest in a matter under discussion, should 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 member of their family or household, more than the generality affected by the decision should declare the nature of the interest and withdraw from the room, unless they have a dispensation to speak.

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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 should 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 they should consult with the chair. It is recommended that trustee's interests are listed in a register.

Any member of staff or volunteer who also has such conflicts of interest when applying for funding or contracts should also declare interest and the matter be discussed as above with the management committee.

WHAT TO DO IF YOU FACE A CONFLICT OF INTEREST

If you are a user of ELATT's services, or the carer of someone who uses ELATT's services, you should not be involved in decisions that directly affect the service that you, or the person you care for, receive(s). You should declare your interest at the earliest opportunity and withdraw from any subsequent discussion. The same applies if you face a conflict for any other reason.

You may, however, participate in discussions from which you may indirectly benefit, for example where the benefits are universal to all users, or where your benefit is minimal. If you fail to declare an interest that is known to the Charity Secretary and/or the Chair of the Board, the Secretary or Chair will declare that interest.

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ELATT: Registered company no: 1812908; Registered Charity 299186
260-264 Kingsland Road, London E8 4DG, www.elatt.org.uk

