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## Conflict of Interest Policy

### Introduction

Trustees have a legal duty under the Companies Act to declare conflicts of interest and to avoid conflicts of interest and duty. When they are dealing with the business of the Seagrove Pavilion Trust, trustees have an overriding duty to act in the best interests of the Trust. Trustees cannot receive any benefit from the Seagrove Pavilion Trust in return for any service they provide unless they have express legal authority as detailed in the Memorandum and Articles of Association.

### Scope

A conflict of interest may arise where the objective of the Trust and the interests and loyalties of trustees do not coincide or appear to clash. It is recognised that conflicts of interest may occur and the issue is not the integrity of the trustee or employee concerned but the management of any potential benefit from a person's position as a trustee or employee. Even the appearance of a conflict of interest can damage the Trust's reputation, so conflicts of interest need to be managed carefully. A key aspect of minimising the effects of conflicts of interest is to be open and transparent about such situations when they occur.

### Responsibilities

The trustees should declare their interests in connection with their role within the Seagrove Pavilion Trust. A declaration of interests form is provided for this purpose, listing the types of interest which should be declared. Failure to declare an interest could justify disciplinary action. **This declaration should be updated annually, at the end of each financial year**, and also when any changes occur. If in doubt about what to declare, or whether a declaration needs to be updated, it is advised to err on the side of caution.

Interests will be recorded in the Seagrove Pavilion Trust's register of interests, which will be maintained by the Company Secretary. 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 act in the best interests of the Trust. The information provided will not be used for any other purpose.

### Decisions taken where a trustee has an interest

**Any uncertainty about whether a Trustee's interest or duty is likely to give rise to a conflict shall be determined by a majority decision of the other Trustees taking part in the decision-making process.** Interested board members may not vote on matters affecting their own interests.

All decisions under a conflict of interest will be recorded 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 2005.

### **Managing contracts**

Any trustee has a financial interest in a matter under discussion, should declare the nature of their interest and withdraw from the room, unless they have 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 dispensation to speak.

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 the rules the trustee or the member of the senior management team senior employee should consult with the chair.

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### **Related Policies**

- Seagrove Pavilion Trust Risk management policy

### **Relevant legislation, guidance etc**

- Statement of Recommended Practice for Charities (SORP) March 2005
- Charity Commission – A Guide to Conflicts of Interest for Charity Trustees