

**FRIENDS OF THE NEW SELBY WAR MEMORIAL HOSPITAL**  
**CONFLICT OF INTEREST & REGISTER OF INTERESTS POLICY**

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## **1.Introduction**

Trustees have a duty under common law to act in the best interests of the Charities they serve. Trustees generally should not benefit from the Charity and should not be influenced by their wider interests when making decisions affecting the Charity.

A conflict of interest can be defined as “any situation in which a trustee’s personal interests or responsibilities they owe to another body could, or could be seen to, prevent them from making a decision only in the best interests of the Charity”.

Conflicts of Interest can lead to decisions that are not in the best interests of the Charity. They can also damage the Charity’s reputation or public trust and confidence. These harmful effects can be prevented where individual trustees can identify conflicts of interest and the trustee body can act to prevent them from affecting their decision making. All trustees have a legal duty to act only in the best interests of their Charity.

Trustees personal and professional connections can bring benefits to the work of a Charity, and they often form part of the reason why an individual has been asked to join the trustee body. The existence of a conflict of interest does not reflect on the integrity of the affected trustee so long as it is properly addressed.

## **2. Conflicts of Interest**

The most common types of conflict include:

Direct financial interest – when a trustee obtains a direct financial benefit via:

- The payment of a salary to a trustee by the Charity.
- The award of a contract to a company with which a trustee is involved.
- The sale of property at below market value to a trustee

Indirect financial interest – this arises when a close relative of a trustee benefits from the Charity:

- The awarding of an employment contract to a trustee’s spouse.
- Making a grant to a trustee’s dependent child

Trustees should declare:

- Business and personal interests and those of their spouse, partner, family, and close relatives. Consider employment or any previous employment in which the trustee still has financial or other interest.
- Any other appointments (voluntary or otherwise) e.g., trusteeships, directorships, local authority membership, tribunal.
- Professional and organisational membership and membership of any special interest groups.
- Investments in unlisted companies, partnerships, and other forms of business.

- Gifts or hospitality offered to a trustee by external bodies and whether this was declined or accepted.

(Note: Organisations will need to find a balance between accountability and unwarranted intrusion into the affairs of their trustees).

It is recommended that all other interests are recorded openly.

### **3. Declaring and recording conflicts of interest**

The procedure to follow when a trustee is subject to a conflict of interest include:

- Recording trustees' interests in the Charity's register of interests.
- Declaring interests at the beginning of each meeting.
- Removing the trustee concerned from the decision-making process.
- Recording details of the discussion and decisions made.

Completed declarations should be returned to the Charity Secretary who will be responsible for keeping the register of interests up to date. It should form part of a wider policy framework' such as a trustee handbook, all relevant codes of conduct and other policies that trustees are obliged to follow.

### **4. Further information**

For more detailed information see [www.gov.uk](http://www.gov.uk) Conflicts of Interest: A guide for Charity Trustees

### **5. Review of policy**

This policy will be reviewed every 2 years or sooner in the event of changes in guidance or legislation.