

Woolf Institute: Conflicts of Interest Policy: Trustees

Background

1. Trustees have a legal duty to act only in the best interests of their charity. They must not put themselves in any position where their duties as Trustees may conflict with any personal interests they may have.
2. A Trustee's personal interests may arise from:
 - a. any potential financial or other measurable benefit they may receive, or may expect to receive or which others may reasonably believe they have received or expect to receive, either directly or indirectly through a person connected to them;
 - b. a duty or loyalty they or a person connected to them owe or might reasonably be believed by others to owe to another person or organisation.
3. A person connected to the Trustee is construed as a family member, relative or business partner of the Trustee as well as a business in which the Trustee has an interest through oversight or influence. It includes a spouse or unmarried or civil partner, children, siblings, grandchildren, parents (and grandparents) and a partner's parents and grandparents. It includes businesses where a Trustee or family member holds at least 20% of the shareholding or voting rights.
4. A Trustee may have a conflict of interest where their personal interests and/or the interests of those connected to them may conflict or might reasonably be thought by others to conflict with their duty to act only in the best interests of the charity. The conflict of interest arises where the Trustee is aware of the relevant interest or should reasonably have been aware of it.
5. The potential for the Trustee to benefit from the charity also creates a conflict of interest. A benefit is any instance where money, or other property, goods or services which have a monetary value, are received by the Trustee or which others might reasonably expect them to have received. Trustees cannot receive a benefit from their charity, whether directly or indirectly, unless they have an adequate legal authority to do so.
6. Authority to receive a benefit may come from the charity's governing document, or existing statutory provisions (which permit the payment of Trustees for additional services they provide to the charity over and above normal Trustee duties), or from the Charity Commission or the Court. The payment of reasonable expenses to Trustees is not a Trustee benefit and so does not create a conflict of interest or require authorisation.
7. Any benefits received by a Trustee must be disclosed in the charity's accounts where these are accrual based (as are those for the Woolf Institute). Examples of such related party transactions are included in Appendix 1 of this note.

8. The Institute's Articles of Association (article 31, March 2007) provide that no company member shall debate or vote on any matter in which he (or she) is personally interested without the permission of the majority of the persons present and voting.

Policy

9. The Board of Trustees of the Woolf Institute will take all reasonable steps to identify, declare and take appropriate action to address any potential or perceived conflicts between their overriding duties as Trustees and any personal interests they or persons connected to them may have.
10. Each member of the Board recognises that it is their personal responsibility to declare any conflicts of interest they may have or which others may reasonably expect them to have.

Implementation

11. The Board of Trustees have determined that the following actions shall be taken in support of this policy:
 - a. prospective Trustees will be asked about potential conflicts of interest and any such conflicts will be declared to the Chairman of the Board – or if the Chairman, the deputy Chairman or Founder Director and Secretary – before any appointment is made.
 - b. Trustees will complete and sign a declaration of interests form each financial year which will provide the basis of the Institute's Register of Trustee Interests. A full form and annual up-date form are attached as Annexes B and C.
 - c. Trustees who acquire (or shed) a relevant interest in the year will inform the Secretary of that fact so that it may be entered in (or removed from) the Register of Trustee Interests.
 - d. The agenda for each Board meeting will have an initial item for the declaration of conflicts of interest relevant to matters on that meeting's agenda. Any such declaration shall be noted in the minutes of the meeting.
 - e. Where there is, or might reasonably be perceived to be, a potential conflict of interest, the Trustee shall at the earliest opportunity discuss with the Chairman and the Secretary – or in the case of the Chairman, the Deputy Chairman or Founder Director and Secretary – an appropriate response.
 - f. The response to a potential conflict of interest may include one or more of the following:
 - i. recording the interest in the Institute's Register of Trustee Interests;
 - ii. declaring the interest at the beginning of the Trustees' meeting where that interest is relevant to an item to be discussed, recording that fact in the minutes and, with the agreement of the other Trustees, taking a full part in that discussion;
 - iii. declaring the interest at the beginning of every Trustees' meeting, recording that fact in the minutes and, with the agreement of the other Trustees, taking a full part in the Board's discussions;
 - iv. having declared the interest, remaining in the meeting, but playing no part in the discussion or subsequent decision on the relevant item, whether by vote or otherwise determined, and recording that fact in the minutes;

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- v. having declared the interest, withdrawing from the meeting before any discussion, vote or other decision on the relevant item is held and recording that fact in the minutes. The Board would normally expect this option to be followed in most cases of any significance.

12. Where there is a serious and irreconcilable conflict of interest, then, unless that conflict can be removed in any other way, the Trustee would be expected to remove the conflict by resigning from the Board.

The Woolf Institute
Cambridge

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