



Friends of Leonard Stanley School (FOLSS)

Conflicts of Interest Policy

Title: Conflicts of Interest Policy

Person(s) who created policy: Jo Byrne

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CONFLICT OF INTEREST POLICY

About Conflicts of Interest

Friends of Leonard Stanley School (FOLSS) has a legal duty to act in the charity's best interests when making decisions as a Committee. If there's a decision to be made where a Committee Member has a personal or other interest, this is a conflict of interest and FOLSS won't be able to comply with their duty unless steps are taken.

The Committee Members of FOLSS are the Honorary Committee named Chairperson(s) (and Vice), Secretary (and Vice) and Treasurer (and Vice) and remaining Committee Members as stated on the FOLSS website and Annual Charity Commission return.

For example, if you're a Committee Member, you would have a conflict of interest if the charity is thinking of making a decision that would mean:

- you could benefit financially or otherwise from your charity, either directly or indirectly through someone you're connected to
- your duty to your charity competes with a duty or loyalty you have to another organisation or person

Conflicts of interest are common in charities – having a conflict of interest doesn't mean an individual has done something wrong but there is a need to act to prevent them from interfering with the ability to make a decision only in the best interests of the charity.

FOLSS will follow a 3 step approach (identify, prevent, record) so that FOLSS are able to comply with their duty and avoid:

- making decisions that could be overturned
- risking the charity's reputation
- having to repay the charity if we make unauthorised payments to trustees

How to identify a Conflict of Interest

Legal requirement: FOLSS must declare a conflict of interest immediately if FOLSS are aware of any possibility that someone's personal or wider interests could influence the decision-making.

Have a standard agenda item at the beginning of each FOLSS meeting to allow Committee Members to declare any actual or potential conflicts of interest.

It's good practice to have a written conflicts of interest policy to:

- tell existing Committee Members how to identify and disclose conflicts of interest
- help prospective Committee Members identify possible conflicts of interest before they're appointed

FOLSS will also keep a register of interests and make sure it's changed if necessary.



Friends of Leonard Stanley School

How to deal with a conflict of interest

Once a conflict of interest is identified FOLSS will prevent it from affecting the decision-making by:

- finding an alternative way forward which doesn't involve the conflict of interest (particularly if the issue is serious)
- taking appropriate steps to manage the conflict (if it's less serious), which will usually mean that the person affected doesn't take part in discussions about the issue

Follow any instructions on managing conflicts of interest in the FOLSS document. In some situations there will be a need to comply with legal restrictions.

If there's nothing about the conflict of interest in the FOLSS document or the law, FOLSS will still need to make sure that it is declared and consider whether the conflicted Committee Member should withdraw from discussions and voting on the matter.

FOLSS will have to ask the Charity Commission to authorise a decision in advance if:

- it is going to involve any benefit to a Committee Member that hasn't already been authorised
- the conflict of interest is serious but there's no alternative way forward that will remove it
- most or all of the Committee Members share the conflict of interest

How to record a Conflict of Interest

Keep a written record of the conflict of interest and how it is dealt with in the minutes of our meetings to explain:

- what sort of conflict of interest it was
- which Committee Member or Committee Members were affected
- if any conflicts of interest were declared in advance
- an outline of the discussion
- if anyone withdrew from the discussion
- how FOLSS and the other Committee Members made the decision in the charity's best interests

FOLSS will follow good practice to include details of trustee payments and benefits if we prepare receipts and payments accounts.

Availability of this policy

This policy is publicly available through the FOLSS website folss.org.uk, is sent to and reviewed biennially by all Committee Members of FOLSS for whom an email address is held and is referenced as part of the information stated in our Data Protection Policy.