



## **Conflict of Interest** **Policy**

### **Opening Statement**

Impstone Pre-school is committed to ensuring its decisions and decision-making processes are, and are seen to be, free from personal bias and do not unfairly favour any individual connected with the charity.

The policy applies to all committee members and volunteers of the Pre-school, referred to here as “trustees” as they occupy a position of Trust. (This policy and associated procedures apply to staff members, who have additional statements of cover in their personal contracts of employment).

All these individuals have a legal obligation to act in the best interests of the Pre-school and in accordance with its constitution and to avoid situations where there may be a potential conflict of interest.

Such situations may arise where family interests or loyalties conflict with those of the Pre-school. They may create problems as they can inhibit free discussions, result in decisions or actions that are not in the interests of the Pre-school and risk the impression that the Pre-school has acted improperly.

Impstone Pre-school therefore intends to:

- Ensure that every trustee understands what constitutes a conflict of interest and that they have a responsibility to recognise and declare any conflicts that might arise for them.
- Document the conflict and the action(s) taken to ensure that the conflict does not affect the decision-making of the Pre-school.

### **Purpose**

The aim and purpose of this policy is to protect both the preschool and the trustees from any impropriety or appearance of impropriety.

### **Methods**

Flow chart procedures detail how the following actions must be completed.

For the purpose of the policy document the actions are outlined as follows:

### **The declaration of interests and register**

We ask trustees to declare their interests and any gifts or hospitality received in connection with their role in the Pre-school. A declaration of interests form is provided for this purpose, listing the types of interest to be declared and is reviewed at each committee meeting. A register is kept of such trustees’ interests and will be accessible by application to the secretary.

### **Managing contracts**

Trustees with a conflict of interest must not be involved in managing or monitoring a contract in which they have an interest. Any contract awarded where a potential conflict of interest has been identified will be monitored. Where it is felt the relationship is unsatisfactory, the contract will be terminated.



### **Discussions where a trustee has an interest**

Trustees may be users of the Pre-school's services or carers of someone who uses the Pre-school's services, e.g. the trustee is the parent of a child attending Impstone Pre-School.

In such cases trustees may participate in discussions even if the trustee/child may indirectly benefit, where the benefits are universal to all users.

Where however the benefits are not universal to all users and are not minimal, trustees should declare their interest at the earliest opportunity and withdraw from discussions. The interest is to be entered into the register and in the interests of frank and open discussion, the trustee should leave the room while related discussion is taking place, unless there is good reason for them to stay. The same applies if a trustee faces a conflict for any other reason.

If a trustee fails to declare an interest that is known to the Pre-school secretary and/or chair, these officers will declare that interest.

### **Decisions taken where a trustee has an interest**

In the event of the committee having to decide upon a question in which a trustee has an interest, all decisions are made by vote with a simple majority required and interested trustees may not vote. A minimum of 60% of the Trustee Members must be present for the discussion and decision - interested trustees are not be counted.

All decisions made under a conflict of interest will be recorded by the secretary in the minutes.

The report to 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 a decision, this will be reported in the annual report and accounts.

Any payments or benefits in kind to trustees will be reported in the Pre-school's annual accounts, with amounts for each trustee listed.

Where trustees are connected to a party involved in the supply of a service or product to the Pre-school, this will also be disclosed in the annual accounts.

Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

The committee reserve the right to restrict the role undertaken on the committee or to decline membership.

### **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 act in the best interests of the Pre-school. The information provided will not be used for any other purpose.



**Legal Framework**

The Charities Act 2006

[www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

**Further guidance**

The Charity Commission [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

The Pre-school learning Alliance [www.pre-school.org.uk](http://www.pre-school.org.uk)

Children's links [www.childrenslinks.org.uk](http://www.childrenslinks.org.uk)

*This policy was adopted at a meeting of* \_\_\_\_\_

*Held on:* \_\_\_\_\_

*Date to be reviewed:* \_\_\_\_\_

*Signed on behalf of the provider:* \_\_\_\_\_

*Name of signatory:* \_\_\_\_\_

*Role of Signatory (e.g. chair/director, owner)* \_\_\_\_\_