THE FAREHAM WELL

Conflicts of Interest Policy

INTRODUCTION

The Fareham Well ('The Well') is a Charitable Incorporated Organisation and is overseen by the Charity Commission for England and Wales.

The purpose of this policy is to clarify The Well's position regarding conflicts of interest of trustees and those who serve on The Well's sub-committees and panels.

This policy has been drafted in accordance with The Well's constitution and Section 36 of the Charitable Incorporated Organisations (General) Regulations 2012.

The aim of this policy is to ensure that decisions made on behalf of The Well are based solely on what is best for the organisation. Decisions must not be influenced by the personal interests of trustees or committee members, or the interests of people or organisations connected with them.

Grant applicants will be asked to identify if they have any conflicts of interest or potential conflicts of interest as part of the application process and declare as necessary.

1. TYPES OF CONFLICT

1.1. A conflict of interest arises in any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of the charity. (CC29 Charity Commission for England and Wales).

1.2. The two most common types of conflict of interest are financial conflicts and loyalty conflicts.

1.2.1. Financial conflicts occur when the decision maker (or a person or organisation connected with them) could benefit financially from a decision. For example, if a trustee owned a business which trades with the The Well.

1.2.2. Loyalty conflicts arise when the decision maker's responsibility or loyalty to another organisation could compete with their responsibility to The Well. For example, where the decision to award a grant involves another charity of which they are trustee.

1.2.3. Loyalty conflicts may also arise when the decision maker's responsibility or loyalty to a church or Christian organisation could compete with their responsibility to The Well as a whole. For example, where a decision involves a church of which they are a member or parishioner.

1.3. Conflicts of interest can be direct or indirect:

1.3.1. A direct conflict of interest occurs when a trustee, committee or panel member has a personal interest that may affect their decision-making or actions.

1.3.2. An indirect direct conflict of interest occurs when a trustee, committee or panel member has a relationship or affiliation with an individual or organisation which has an interest that may affect their decision-making or actions.

2. CONNECTED PERSONS

2.1. Conflicts of interest arise when the decision-maker is in conflict or when a person or organisation connected with them is in a position of conflict.

2.2. For the purposes of this policy, a connected person is defined as:

2.2.1. Spouses or civil partners.

2.2.2. Parents and grandparents.

2.2.3. Children and grandchildren.

2.2.4. Siblings.

2.2.5. Spouses or civil partners of any of the relations listed above.

2.2.6. Business partners or business partners of any of the relations listed above.

2.2.7. Institutions or corporate bodies controlled by the trustee or committee member or any of the relations listed above.

3. MANAGING CONFLICTS

3.1. Trustees, committee and panel members must declare any conflicts, whether direct or indirect, during their appointment process.

3.2. Grant applicants will be asked to identify if they have any conflicts of interest or potential conflicts of interest as part of the application process and declare as necessary. Failure to disclose conflicts of interest may result in the withdrawal of funding and the repayment of the grant.

3.3. Trustees, committee and panel members must declare any conflicts in connection with an agenda item at the start of each meeting, at which they are in attendance. This should be a standing agenda item to note the existing interests and ensure that any new and updated interests are declared.

3.4. The person responsible for the meeting administration should keep and update a register of interests for all members, including nil returns.

3.5. The register of interests should be circulated for update to all trustees, committee and panel members at the start of each financial year.

4. MANAGING DECLARED CONFLICTS

4.1. When a conflict related to the agenda is declared at the start of the meeting, those at the meeting should consider how to prevent the conflict from affecting decision-making and ensure the decision is recorded in the minutes.

4.2. In cases of an indirect or very limited conflict, the conflicted individual may remain in the meeting and participate in the decision-making process, agreed by the Chair.

4.3. In cases of a direct conflict, the conflicted individual must leave the meeting and must not take part in the decision-making process.

4.4. Conflicted persons must not vote or be counted as part of the quorum in any decision on the matter relating to the conflict.

5. MANAGING SERIOUS CONFLICTS

5.1. There are two main types of serious conflict.

5.2. The first occurs where an individual trustee, committee or panel member is in a position of continuing direct conflict. For example, where the individual has a business arrangement with The Well.

5.3. In such cases, the conflict must either be avoided (e.g., the business arrangement not entered into), or the conflicted individual must resign.

5.4. The second occurs where the whole Trustee Board is conflicted.

5.5. Where the whole Trustee Board is conflicted, the course of action leading to the conflict must be either be avoided or a Section 105 Order from the Charity Commission for England and Wales must be sought to authorise the conflict **prior to** the decision being made.

5.6. Legal advice should be sought prior to applying to the Charity Commission for England and Wales for a Section 105 Order.

6. PAYMENTS TO TRUSTEES

6.1. Trustees may claim the reimbursement of expenses only.

6.2. Trustees do not and must not, receive any additional financial benefit from The Well in connection with their role as trustees.

7. RESPONSIBILITIES

7.1. Everyone is responsible for managing conflicts of interest.

7.2. If any trustee, committee or panel member, or grant applicant has any query or concern in relation to conflicts of interest and the application of this policy or requires advice and judgment on managing conflicts of interest, they should contact the Secretary to the Trustees in the first instance.

Approved by the Board: 15 November 2024