

Trustee Conflicts of Interest Policy

Table of Contents

Conflicts of Interest Policy	1
Introduction and Policy Statement	2
Background	2
Definition of conflict of interest.....	2
Policy Detail.....	3
Prospective Trustees.....	4
Trustee Conflict of Interest Declaration	4
Conflicts arising at Meetings.....	4
Gifts and hospitality (provided to Trustees in their capacity as a Trustee)	5
Review of Policies and Procedures	5
Appendix	6
Appendix 1 Potential Conflict of Interest and Loyalties.....	7
Appendix 2 Trustees Conflict of Interest Declaration Form	8

Associated Policies and Documents

Source	Document/Policy
Qualification regulators General Conditions of Recognition: Ofqual, CCEA, Qualifications Wales	A4 Conflict of Interest B3 Notification of certain Events I1.1 Appeals Process
RLSS UK Policies	Appeals Policy Whistleblowing Policy Adverse Effect Policy

Introduction and Policy Statement

This document sets out RLSS UK's approach to identifying and monitoring all actual/potential conflicts of interest and loyalty that may affect RLSS UK and its subsidiary companies (hereafter referred to as RLSS UK) now and in the foreseeable future and, where conflicts of interest have been identified, to ensure arrangements are in place to manage them appropriately.

Background

Conflicts of interest and loyalty are common in organisations and charities and can affect them regardless of type and size. They can lead to decisions that are not in the best interests of the organisation or charity and which are invalid or open to challenge. Conflicts of interest can also damage an organisation or charity's reputation or public trust and confidence generally. These harmful effects can be prevented where individuals within an organisation can identify conflicts of interest and/or loyalty, and the organisation can act to prevent them from affecting their decision making.

Trustees have a legal duty to act only in the best interests of their charity and to avoid putting themselves in any position where their duties as Trustees may conflict with any personal interest they may have. Having a conflict of interest doesn't mean a Trustee have acted inappropriately but Trustees do need to take action to avoid making decisions that could be overturned and/or that could damage the charity's reputation. The Charity Commission recommends a three-step approach of Identify, Prevent and Record conflicts of interest.^k

RLSS UK has a duty to provide evidence to our Regulators¹ upon request that we comply with their requirements in relation to conflicts of interest and loyalties to prevent any conflict becoming an 'Adverse Effect'.² Where a conflict of interest³ or loyalty has had or may cause an Adverse Effect we have a duty to take reasonable steps to mitigate the Adverse Effect as far as possible and correct it.

Definition of conflict of interest

A conflict of interest is where an individual or organisation has competing interests or loyalties. It is any situation in which a Trustee's personal interests or loyalties could, or could be seen to, prevent the Trustees from making a decision only in the best interests of the charity.

Conflicts of interest can arise in a variety of situations and it is likely that Trustees may encounter potential conflicts of interest from time to time. It should be noted that the appearance or perception of a conflict of interest or loyalty can negatively affect the Charity's reputation and effective operation. For these reasons conflicts must be managed effectively and transparently.

Conflicts of interest may be isolated or ongoing events. Normally conflicts can be managed during the planning and implementation of Trustee business, but there may be situations where ongoing events may affect a Trustee's ability to participate in decisions which may affect their ability to continue in post (or to accept the position of Trustee in the first instance).

¹ Ofqual or equivalent in relevant country

² Adverse Effect is defined in the Ofqual [General Conditions of Recognition](#) Condition B

³ Conflict of Interest is defined in the Ofqual General Conditions of Recognition Condition A4

A conflict of interest exists where:

- A Trustee's personal or wider interests could influence their decision making in any way other than in the best interests of RLSS UK
- There is a potential financial or measurable benefit directly to a Trustee, or indirectly through a connected person
- A Trustee's duty to the charity may compete with a duty or loyalty they own to another organisation or person

Conflict of loyalty arises where the duties a Trustee owes to another individual or organisation are in conflict with the duties the Trustee owes to RLSS UK. Such conflict of loyalty can still exist even though the Trustee does not stand to benefit from any other individual or organisation.

A conflict of loyalty exists where:

- A Trustee's other interests could, or could be seen to interfere with the Trustee's ability to decide an issue only in the best interests of the Charity
- Where the Trustee has a competing legal or other relationship or duty to another organisation or person
- Where the religious, political or personal views of a Trustee could interfere with the ability of the Trustee to decide the issue only in the best interests of the Charity

Examples of what may constitute a Conflict of Interest and Conflict of Loyalty are found in [Appendix 1](#).

Policy Detail

As an organisation that keeps all aspects of its business under review, all Trustees and those with an interest in RLSS UK business operations, products and services (including those involved in influencing, developing, delivering, assessing and awarding RLSS UK qualifications and services have a duty to:

- Understand what constitutes a conflict of interest
- Identify and inform the CEO, Chair, and Responsible Officer of any actual/potential conflicts of interest that are contrary to and could impact on the integrity of RLSS UK's reputation and business operation as laid down in any Articles of Association, Code of Conduct, guidance documentation and/or requirements of regulators' Conditions of Recognition
- Manage and monitor any identified conflicts of interest which relate to their area of operation and immediately notify the Society of changes in status or controls associated with the identified conflict
- Identify and inform any conflict of interest or loyalty that may arise during their continuance as a Trustee
- Monitor activity to ensure ethical practice and compliance with Regulators Conditions of recognition and ensure all concerns are investigated promptly

Prospective Trustees

The early identification of conflicts of interest is key to ensuring that Trustees act only in the best interests of the Charity.

Prospective Trustees must clearly identify any potential conflicts of interest or loyalty at the application stage to be considered by those who propose appointments/elections. Applicants should:

- Be provided with a copy of the Conflict of Interest Policy document
- Declare that they have read and understood the contents of the Policy
- Declare whether they have any potential conflicts of interest/loyalty that will affect their ability to effectively perform their duties as a Trustee
- Declare the frequency of any conflicts disclosed and potential impact on their ability to effectively perform their duties as a Trustee

An appointments panel will consider applications and identify whether any declared conflicts will seriously affect the ability of the applicant Trustee in performing their duties.

Trustee Conflict of Interest Declaration

Trustees are required to complete and update a Conflict of Interest Declaration ([Appendix 2](#)):

- On appointment as a Trustee
- Annually
- As and when conflicts arise

A copy of the Declarations and a Log of Declarations will be held by RLSS UK to comply with Regulators Conditions of Recognition.

Conflicts arising at Meetings

Trustees have a legal duty to act only in the best interests of the Charity. Prior to Board and Committee meetings the Chair will consider any conflicts within the agenda. At the start of each Trustee meeting Trustees must declare any conflicts or potential conflicts they may have with any item on the Agenda.⁴ Where a Trustee is unsure of a potential or actual conflict they should still declare such conflict prior to any meeting being convened. Equally a Trustee must notify the Chair where they believe another Trustee may have a conflict that could affect their judgment in any meeting.

When a Trustee identifies that they have a potential conflict of interest, the guidance in the Articles of Association 6.2 and 6.3 (below) must be followed:

6.2 Subject to Clause 6.3 any Trustee who becomes a Conflicted Trustee in relation to any matter must:

- (a) Declare the nature and extent of his or her interest before discussion begins on the matter;*
- (b) Withdraw from the meeting for that item after providing any information requested by the Trustees;*
- (c) Not be counted in the quorum for that part of the meeting; and*
- (d) Be absent during the vote and have no vote on the matter.*

⁴ All meetings must have a standard Agenda Item at the beginning of meetings to declare any actual or potential conflicts of interest

6.3 When any Trustee is a Conflicted Trustee, the Trustees who are not Conflicted Trustees, if they form a quorum without the Conflicted Trustee are satisfied that it is in the best interest of the Company to do so, may by resolution passed in the absence of the Conflicted Trustee authorise the Conflicted Trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee; to

- (a) Continue to participate in discussions leading to the making of a decision and/or to vote; or*
- (b) Disclose to a third party information confidential to the Company; or*
- (c) Take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from the company; or*
- (d) Refrain from taking any step required to remove the conflict.*

Minutes of meetings must record conflicts of interest and how they have been managed to include:

- The conflict of interest identified
- Trustee(s) affected
- A summary of the discussion
- Trustee(s) who withdrew from any discussion, or the reason they were asked to stay
- Trustee(s) who were absent during any vote and had no vote entitlement
- That the meeting was quorate (not counting the affected Trustee)
- Any other actions taken to manage the conflict.

[Gifts and hospitality \(provided to Trustees in their capacity as a Trustee\)](#)

Trustees must decline any gift or hospitality given to them in their role as Trustee as any gift or hospitality might give rise to criticism or concern about a conflict of interest.

For any gift or hospitality (with a value of) over £50, a Trustee must:

- Consult the RLSS UK Chair on whether it is appropriate to accept the gift or hospitality. In the case of gifts to the RLSS UK Chair, the RLSS UK CEO will decide.
- (The Trustee must also) Declare the gift or hospitality on their RLSS UK Trustee Conflict of Interest Declaration Form.

[Review of Policies and Procedures](#)

We conduct regular annual review of all policies and procedures as part of the self-evaluation process for the regulators' Statement of Compliance, and in response to actual or potential conflicts of interests, customer, learner or regulatory feedback.

Appendix

1. Potential Conflict of Interest/Loyalty Examples
2. Trustee Conflict of Interest Declaration Form

Appendix 1 - Potential Conflict of Interest and Loyalties

Example Conflicts of Interest to declare:

- Payments from RLSS UK (for services to RLSS UK) independent of Trustee role
- Personal income from RLSS UK activity (for example, income from training/assessing RLSS UK awards and qualifications; income from working as a lifeguard)
- Family member(s) who are RLSS UK service users, for example, child is a club member
- Appointments (voluntary or otherwise) e.g. trusteeships, directorships
- Membership of any other bodies (e.g. SLSGB) or special interest groups
- Investments in unlisted companies, partnerships, other forms of business, major shareholdings
- Gifts or hospitality with a value of over £50

Appendix 2 Trustee Conflict of Interest Declaration Form

Each Trustee must complete the following template to ensure RLSS UK actively identifies and manages any potential conflict of interest.

Trustee Name			
Society Number (where applicable)			
Include full details of potential/actual conflict of interest or loyalty			
Please identify ways in which you intend to mitigate/remove any conflict of interest or loyalty to enable you to carry out your role as a Trustee			
Signed		Date	
Appointment Panel Decision (if applicable)		Date	

L