



## CAPITAL Project Trust - Conflict of Interest Policy

### Scope

Although this policy applies principally to Trustees, all employees of the charity are also expected to adhere to these principles while working for CAPITAL

### What is a conflict of interest?

### The legal background

The duties and legal responsibilities of trustees include:

- At all times, to act in the best interests of the charity.
- Not to benefit from his or her office as a trustee - other than to the extent permitted by the constitution.
- Not to put himself or herself in a position where his or her interests conflict with those of the charity.

The law is quite clear on the point. Irrespective of the way in which a trustee comes to be appointed, while acting as a charity trustee his or her first duty is to the charity. All other loyalties must be put to one side.

If this is simply not possible, or if the conflicts are so frequent as to limit a trustee's usefulness as a trustee, then they must stand down from one of the posts.

- Any trustee who has a **financial interest** in a matter under discussion, should declare the nature of their interest and withdraw from the room, unless they have a dispensation to speak.
- If a trustee has any interest in the matter under discussion, which creates a real **danger of bias**, that is, the interest affects their, or a member of their household, more than the generality affected by the decision: they should declare the nature of the interest and withdraw from the room, unless they had a dispensation to speak.
- If a trustee has any other interest which does not create a real danger of bias, but which might reasonably **cause others to think it could influence their decision**, they should declare the nature of the interest, but may remain in the room, participate in the discussion, and vote if they wish.
- If in any doubt about the application of these rules they should **consult** with the chair. The chair should consult with the CEO
- Any continuous trustee's **interests must be listed in a register**.
- Any interest which may cause a conflict whether registered or not should be declared before an item is discussed
- The register of interests should be updated at least annually, more frequently should additional potential conflicts of interest arise.