



CONFLICTS OF INTEREST POLICY 2016

This policy applies to trustees and all staff of The British Association of Urological Surgeons Limited (BAUS).

Why we have a Policy

The law states that trustees cannot receive any benefit from their charity in return for any service they provide to the charity unless they have express legal authority to do so. "Benefit" includes any property, goods or services which have a monetary value, as well as money.

Trustees have a legal obligation to act in the best interests of the charity they serve as well as acting in accordance with the charity's governing document, the Memorandum and Articles of Association. Trustees should not benefit from BAUS and should not be influenced by their wider interests when making decisions affecting the charity. Trustees should avoid situations where there may be a potential conflict of interest and all staff have similar obligations.

Definition of a Conflict of Interest

A conflict of interest is defined as ANY SITUATION IN WHICH A TRUSTEE'S PERSONAL INTERESTS OR RESPONSIBILITIES THEY OWE TO ANOTHER BODY MAY, OR MAY NOT, APPEAR TO INFLUENCE THE TRUSTEES DECISION MAKING.

Further information is available from the Charity Commission (see Note 1 below).

Conflicts of interests may arise where an individual's personal or family interests and/or loyalties conflict with those of BAUS. Such conflicts may create problems; they can:

- inhibit free discussion;
- result in decisions or actions that are not in the interests of BAUS; and
- risk the impression that BAUS has acted improperly.

Aim of a Conflicts of Interest Policy

The aim of this policy is to protect both the organisation and the individuals involved from any appearance of impropriety.

Common Types of Conflicts of Interest

Conflicts of interest may come in a number of different forms – the most common of which are:

- Direct financial interest – where a trustee obtains a direct financial benefit via:
 - Payment of a salary to a trustee by the charity
 - Award of a contract to a company with which a trustee is involved
 - Sale of property at below market value to a trustee
- Indirect financial interest – occur when a close relative of a trustee benefits from the charity
- Non-financial or personal conflicts – occur where trustees receive no financial benefit but are influenced by external factors
 - Influencing Board decisions on service provision to their own advantage
 - To gain some intangible benefit or kudos
 - Awarding contracts to friends
 - Conflicts of loyalties – Trustees may have competing loyalties between the charity to which they owe a primary duty and some other person or entity.

It is therefore essential that all trustees are fully aware of their duties and responsibilities and that when acting as a trustee they must act in the best interests of the charity alone.

Declaration of Interests

Accordingly, we ask all BAUS trustees and staff to declare their interests, and any gifts or hospitality received in connection with their role in BAUS. A **Declaration of Interests Form** is provided for this purpose, listing the types of interest you should declare.

To be effective, the declaration of interests needs to be updated annually, and also when any changes occur.

If you are not sure what to declare, or whether/when your declaration needs to be updated, please err on the side of caution. If you would like to discuss this issue, please contact the Chief Executive or the President for confidential guidance.

This register of interests shall also be used to record all gifts of a value over £25 received by the trustees and staff.

Interests and gifts will be recorded on the charity's register of interests, which will be maintained by the Chief Executive. The register will be accessible by anyone with a legitimate interest in it, for example members of the Association and our auditors.

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 and staff act in the best interests of BAUS. The information provided will not be used for any other purpose.

What to do if you face a Conflict of Interest

If you face a conflict of interest you must:

- declare an interest before the meeting or at the meeting before discussion begins on the matter;
- be absent from the meeting for that item unless expressly invited to remain in order to provide information;
- not be counted in the quorum for that part of the meeting; and
- be absent during the vote and have no vote on the matter.

You may, however, participate in discussions from which you may indirectly benefit, for example where the benefits are universal to all members, or where your benefit is minimal. If you fail to declare an interest that is known to the Chief Executive, the President or the Honorary Secretary they will declare that interest.

Decisions taken where a Trustee or Member of Staff has an Interest

In the event of the board having to decide upon a question in which a trustee or member of staff has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate.

All decisions under a conflict of interest will be recorded by the Chief Executive and reported in the minutes of the meeting. The report will 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 the decision, this will be reported in the annual report and accounts in accordance with the current Charities SORP.

All payments or benefits in kind to trustees will be reported in the charity's accounts and annual report.

Where a staff member is connected to a party involved in the supply of a service or product to the charity, this information will also be fully disclosed in the annual report and accounts.

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

Managing Contracts

If you have a conflict of interest, you must not be involved in managing or monitoring a contract in which you have an interest. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

Notes

1 Further guidance can be found from the Charity Commission - including Operational Guidance *Trustee Responsibilities* –

www.charitycommission.gov.uk/supportingcharities/trustee1.asp

and *Conflicts of Interest: A guide for Charity Trustees* –

<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29>

2 BAUS Ltd, Memorandum of Association, 5.4(1-4)

This document was prepared with reference to the Charity Commission guidance on Conflicts of Interest (May 2014) and ICSA Guidance Notes (April 2014) © Institute of Chartered Secretaries and Administrators

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