

Conflict of Interest Policy

1. This Policy applies to Trustees and senior staff and all staff seconded to the NBN Trust
2. Objectives
 - 2.1 Trustees have a legal obligation to act in the best interests of the NBN Trust and in accordance with the Article..
 - 2.2 Conflict of interests may arise where an individual's personal, professional or family interests and /or loyalties conflict with those of the NBN Trust. Such conflicts may create problems. They can:
 - ❖ Inhibit free discussion
 - ❖ Result in decisions or actions that are not in the interests of the NBN Trust
 - ❖ Risk the impression that the NBN Trust has acted improperly
 - 2.3 The aim of this policy is to protect both the organisation and the individuals involved from any appearance of impropriety
3. Declaration of interests
 - 3.1 Trustees and senior staff must declare their interests and any gifts or hospitality received in connection with their role in the NBN Trust. A declaration of interests form is provided for this purpose listing the types of interests you should declare. To be effective, the declaration of interests will be updated annually and you must declare any changes as they occur.
 - 3.2 If you are not sure what to declare, or whether/when you declaration needs to be updated, please err on the side of caution. If you would like to discuss this issue, please contact the Finance and Business Officer for confidential guidance
 - 3.3 Interests will be recorded on the NBN Trust's register of interests, which will be maintained by the Finance and Business Officer. The register will be accessible by all. To obtain a copy of the register a request must be made in writing to the Finance and Business Officer
4. Data Protection
 - 4.1 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 senior staff act in the best interest of the NBN Trust. The information provided will not be used for any other purpose.
5. In the event of a conflict of interests
 - 5.1 If you are a benefactor of the NBN Trust's services or products, or the carer of someone who uses the NBN Trust's services, you should not be involved in decisions that directly affect the service that you or the person you care for receive(s). You should withdraw from any subsequent discussion. The same applies if you face a conflict for any other reason.
 - 5.2 You may, however, participate in discussions from which you may indirectly benefit, for example where the benefits are universal to all users, or where your benefit is minimal.
 - 5.3 If you fail to declare an interest that is known to the Company Secretary and/or the Chairman of the Board, the Secretary of Chairman will declare that interest.
6. Decisions taken where a Trustee or member of staff has an interest
 - 6.1 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 a 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. Interested board members may not vote on matters affecting their own interests.

- 6.2 All decisions under a conflict of interests will be recorded by the Company Secretary 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
 - 6.3 Where a Trustee benefits from the decision, this will be reported in the annual report and accounts in accordance with SORP 2015
 - 6.4 Independent external moderation will be used where conflicts cannot be resolved through the usual procedures
7. Managing Contracts
- 7.1 If you have a conflict of interest you must not be involved in managing or monitoring a contract in which you have an interest.
 - 7.2 The memorandum of association of the Trust lays out the limits on Trustees entering into contract with the Trust:
 - 7.2.1 Any Trustee (or any firm or company of which a Trustee is a member or employee) may enter into a contract with the Charity to supply goods or services in return for a payment or other material benefit but only if
 - ❖ the goods or services are actually required by the Charity; and
 - ❖ the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in clause 5.4 of the Memorandum and Articles of the Trust
 - ❖ no more than one half of the Trustees are subject to such a contract in any financial year
8. Examples of potential conflict of interests
- 8.1 Conflict of interest (financial)
 - 8.1.1 When tendering for services. If a Trustee or family member has an interest in any of the applicant companies this is a potential conflict particularly if the Trustee has invested in the company and receives a share of the profits. Were the Trustee involved in discussions over the nature and quality of the work and the time scales for commencing and completing the work etc, he would have obtained privileged information that could be used to inform the company's tender for the work in its favour. Whether information is passed on or not this situation would still form a conflict of interests
 - 8.2 Conflict of interests (loyalty)
 - 8.2.1 Conflicts of interests which involve financial interests may be more apparent and more straightforward to deal with than those where Trustees or staff have competing loyalties. The most evident conflict of loyalties for NBN Trust Trustees are with the constituent body or their employers or organisations they represent (such as major funders who are also Trustees). Whilst none of these loyalties need prevent anyone from serving as a Trustee they can present conflicts of interest from time to time and Trustees need to be alert to this risk
 - 8.2.2 A scenario might be when any board decisions being made on policy, principle and/or business planning and development, that involve a Trustee whose organisation to which they are employed is also heavily involved, particularly if their organisation should benefit from the decision being made by Trustees. It

is impossible to list all possible situations where a conflict may arise. The following are examples:

- ❖ A discussion might be held on whether to include Recorder 2000 as part of the NBN business plan. Any Trustee who sits on the Recorder 2000 steering committee should declare an interest and withdraw from any discussion and decisions being made in this area.
- ❖ Trustees bringing projects from their employers for NBN Trust approval (badging) should declare an interest.
- ❖ Decisions being made that effect the trading company BioD Services Ltd should not involve the Trustee who are also Directors of that Trading company
- ❖ Trustees who have organisations who's agenda may conflict or is in competition with that of NBN Trust. *Despite the legal principle that Trustees' primary obligation is to the charity, many Trustees may feel a stronger loyalty to their employers.*

8.3 Conflicts of interest effecting staff

- 8.3.1 Staff members seconded to the Trust may have conflict of loyalties between the organisation that employs them and the NBN Trust
- 8.3.2 Staff with membership to other organisations that are in competition with or conflict with that of the NBN Trust
- 8.3.3 Staff that provide information and advice on NBN matters or recommend or monitor grants may face conflict of interests. *Frontline staff should not allow their personal interests or opinions to affect the accuracy and impartiality of their work*

Declaration of interests form

I as employee/trustee (delete as appropriate) of NBN Trust have set out below my interests in accordance with the organisation's conflict of interest policy

Category	<i>Please give details of the interest and whether it applies to yourself or, where appropriate, a member of your immediate family or some other close personal connection</i>
Current employment any previous employment in which you continue to have a financial interest	
Appointments (voluntary or otherwise) e.g. Trusteeships, Directorships, local authority membership, tribunals etc.	
Membership of any professional bodies, special interest groups or mutual support organisations	
Investment in unlisted companies, partnerships and other forms of business, major shareholdings (more than 5% of issued capital) and beneficial interests	
Gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months	
Any contractual relationship with the charity or its trading company BioD Services Ltd	
Any other conflicts that are not covered by the above	

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the conflicts of interest policy and for no other purpose.

Signed: _____

Position: _____

Date: _____