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| Youth Cymru Logo JPEG | **Conflict of Interest Policy** |

**1. Statement of Purpose**

1.1 All staff, volunteers, and trustees of Youth Cymru will strive to avoid any conflict of interest between the interests of the organisation on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest.

1.2 The purposes of this policy is to protect the integrity of the Youth Cymru's decision-making process, to enable our stakeholders to have confidence in our integrity, and to protect the integrity and reputation of volunteers, staff and trustees.

1.3 Youth Cymru’s Conflict of Interest Policy is the subject of legal requirements in both Charity and Company law, both of which are binding on staff, volunteers and trustees of Youth Cymru.

1.4 The relationship of the Youth Cymru with its employees’ trustees and volunteers should be based on mutual trust. As Youth Cymru is committed to preserve the interests of people it works with it expects them to act only towards its own fundamental interests.

**2. Legislative Basis**

2.1 Under Charity law and our governing document trustees cannot receive any benefit (broadly defined) directly or indirectly in return for their services or otherwise unless explicitly authorised.

2.1 Under Company law, staff are required to declare any interest in contracts or proposed contracts and are not permitted to purchase property or take loans from the company.

2.3 Other standard-setting bodies have defined rules and procedures which may be relevant, e.g. the Committee on Standards in Public Life, which has stated that office-holders should declare any private interests relating to their public duties. Any complaint relating to conflict of interest can be the basis for enquiries by the Commissioners and could lead to the involvement of police, the repayment of any moneys or the decision being declared invalid, and could damage the reputation of Youth Cymru and of any Trustee, volunteer or staff member involved.

**3. Relevant Stakeholders**

3.1 The present policy relates to interest issues affecting employees, volunteers and trustees, of Youth Cymru. This policy applies to all prospective or current employees and volunteers of the charity, as well as independent contractors and persons acting on behalf of the charity.

**4. Definition of a Conflict of Interest:**

4.1 A conflict of interest is any situation in which a personal interest, or interests which are owed to another body, and those of the charity arise simultaneously or appear to clash”. They include:

* using their position with the charity to their personal advantage
* engaging in activities that will bring direct or indirect profit to a competitor
* engaging in a competitor’s services
* using connections obtained through the company for their own private purposes
* using company equipment or means to support an external business
* acting in ways that may compromise the company’s legality (e.g. taking bribes or bribing representatives of legal authorities)

4.2 The issue is not the integrity of the trustee, staff or volunteer concerned, but the management of any potential to profit from a person’s position or that they could be influenced by conflicting loyalties.

 4.3 Even the appearance of a conflict of interest can damage the charity’s reputation, so conflicts need to be managed carefully.

4.4 Conflict of interest may occur whenever an employee’s, volunteer or trustee’s interest in a particular subject may lead them to actions, activities or relationships that undermine the charity and may place it to disadvantage.

**5. Examples of conflicts of interest**

5.1 Relevant interests may be financial or non-financial; direct or indirect.

* Direct financial benefits or interests include employment of the volunteer or trustee by the Charity, as employee, consultant or advisor, or the situation where a company of which the Trustee is a director or shareholder may be considered for a contract by the Charity.
* Other matters of financial interest include the sale of land or the use of the employee, volunteer’s, trustee’s property by the charity, or granting of loans by the employee, volunteer or trustee to the charity.
* Conflicts of interest in such cases are particularly serious and any financial benefit requires authorisation, usually by the Charity Commission. Such matters will generally be considered relevant conflicts of interest even if in the case of Trustee that resign prior to seeking such a contract or employment.
* Indirect financial interests may arise where such potential financial benefits accrue to a close member of the volunteers, employees or trustee’s family, or even a friend, business partner or colleague, where their finances are interdependent (e.g. joint bank accounts, mortgages or property held in joint names, one party financially dependent on the other, employer/employee/contractual relationship) or where it could otherwise be perceived that such benefits could lead to a conflict of interest, i.e. by influencing the boards or charities decisions other than in the best interest of the Youth Cymru.
* There are also issues associated with “conflict of loyalties” where another appointment or employment or association (of the volunteer, employee and trustee or of a relative or friend) may be felt to influence the decisions of the charity in directions which may not be in the best interest of Youth Cymru. In this context, it is expected that other charity roles, as Trustee or employee or through other significant relationships, should be declared.

**6. When to declare interest**

6.1 There are five occasions when it is recommended that potential conflicts be declared via the relevant form:

 a) Pre-selection: any prospective employee, volunteer or trustee should be requested to complete a Declaration of Interests form prior to confirmation of appointment in order that any relevant issues, may be considered in confirming their appointment. This would be confidential and would be erased from the record if the prospective employees, volunteer or trustee were in the end not to become engaged with the Charity.

b) On arrival: every new employee, volunteer and trustee should complete a Declaration (or amend the above declaration) at the time of appointment if this is not at the time of the annual declaration. This information, and any subsequent updates would be held confidentially by Youth Cymru. It would necessarily be made available to Trustees in order that relevant matters could be considered for the avoidance of conflicts of interest, but would otherwise be released only with the permission of the relevant Chair of the Board

c) For Trustees annually after each AGM and prior to the first subsequent Board meeting

d) When anything significant changes: new matters should not await an annual declaration before being notified

 e) Verbally at any meeting where specific relevant conflicts may arise

**7. Recording a conflict of interest**

7.1 Conflicts of interest will be a standard agenda item at the beginning of each trustee meeting to allow trustees to declare an actual or potential conflict of interest.

7.2 A register of interest will be kept and updated as circumstances change or new trustees re appointed.

7.3 Upon appointment each volunteer, employees and trustee will make a full, written disclosure of interests, such as relationships, and posts held, that could potentially result in a conflict of interest. This written disclosure will be kept on file and I will be updated as appropriate.

**8. Dealing with a conflict of interest**

8.1 Trustees, volunteer and staff must make their decisions only in the best interests of the charity. This means that they must consider the issue of the conflict of interest so that any potential effect on decision making is eliminated.

8.2 Declarations of interest must be made regarding all interests that trustees, staff and volunteers should declare, including business and personal interests and those of their spouse, partner, family and close relatives.

8.3 Declarations of interest must follow any specific requirements in the law or the charity’s governing document which deal with conflicts of interest and how they should be managed (legal requirement).

8.4 Where there are no specific governing document or legal provisions

* require conflicted trustees, staff and volunteers to declare their interest at an early stage and, in most cases, withdraw from relevant meetings, discussions, decision making and votes
* consider updating their governing document to include provisions for dealing with conflicts of interest

8.5 In complex or difficult to assess situations pertaining to trustees, volunteer or staff members the Board may, exceptionally, need to seek the authority of the Commission where the conflict of interest is so acute or extensive that following these options will not allow the trustees to demonstrate that they have acted in the best interests of the charity.

8.6 Individual trustees who fail to identify and declare any conflicts of interest will fail to comply with their personal legal responsibility to avoid conflicts of interest and act only in the best interests of the charity.

8.7 The trustee, volunteer and staff must ensure that any conflicts of interest do not prevent them from deciding only in the best interests of the charity.

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**9. Links to other policies and procedures**

9.1 This supervision policy needs to be operated alongside other Youth Cymru procedures and policies including:

1. Participation Policy
2. Disciplinary Policy
3. Volunteer Policy

**10.Conclusion**

10.1 This policy is meant to supplement good judgment, and staff, volunteers and management committee members should respect its spirit as well as its wording.

**Signed:** ...........................................................

**Position:** ...Acting Joint CEO.......................................................

**Latest review/approved dated:** .........7th April 2018..................