



North Luffenham Parish Council

as Trustee of
North Luffenham Recreation Ground and
North Luffenham Field Gardens Charities

Code of Conduct and Conflict of Interests Policy

This policy was adopted by Council at its Meeting on 3rd July 2017. NLPC (Trust) Minute reference 17/17 refers.

Introduction

North Luffenham Parish Council ('the Council') has adopted this Code of Conduct to promote and maintain high standards of behaviour by its members whenever they conduct the business of the Council in its capacity as sole charity trustee.

This Code of Conduct is based on the principles of selflessness, integrity, objectivity, accountability, openness, honesty, and leadership that are applicable when members conduct local authority business, supplemented by the more stringent principles that apply to charity trustees.

For the purposes of this Code, a 'meeting' is a meeting of the Council in its capacity as charity trustee.

Member obligations

When a member of the Council acts, claims to act or gives the impression of acting as a representative of the Council in its capacity as trustee, he/she has the following obligations.

1. He/she shall behave in such a way that a reasonable person would regard as respectful.
2. He/she shall not act in a way which a reasonable person would regard as bullying or intimidatory.

3. He/she shall not seek to improperly confer an advantage or disadvantage on any person.
4. He/she shall use the resources of the charities in accordance with their requirements as set out in the governing Scheme document dated 15 November 2007.
5. Although it is the Parish Council as a whole which is the trustee, so that individual members are not themselves trustees, he/she shall where relevant comply with the legislation applicable to individual trustees as set out in Charity Commission guidance. In particular he/she shall act only in the best interests of the charities, and shall not put himself/herself in any position where his/her duty as trustee may conflict with any personal interest he/she might have.
6. He/she shall not disclose information which is confidential or where disclosure is prohibited by law.

Conflicts of interest

Introduction and definitions

North Luffenham Parish Council is aware that the Council as a whole might occasionally find itself in a position where the interests of the Council as local authority conflict with the obligations of the trustee imposed by the terms of the governing schedule. In such situations the interests of the charities are paramount.

This Code of Conduct deals with the situation where an individual Council member has, or might have, a conflict of interest, and summarises Charity Commission Guidance on the subject. Thus for the purposes of this section the term “trustee” refers to any Council member.

A **conflict of interest** is any situation in which a trustee’s personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of the charity.

A **conflict of loyalty** is a particular type of conflict of interest, in which a trustee's loyalty or duty to another person or organisation could prevent the trustee from making a decision only in the best interests of the charity.

A **connected person** in broad terms means family, relatives or business partners of a trustee, as well as businesses in which a trustee has an interest through ownership or influence. The term includes a trustee's spouse or unmarried or civil partner, children, siblings, grandchildren and grandparents, as well as businesses where a trustee or family member holds at least one-fifth of the shareholding or voting rights.

Procedure for dealing with conflicts

1. Declare the conflict

Individual trustees should always declare any conflicts of interest which affect them, at the earliest possible opportunity and certainly before any discussion of the item itself.

If a trustee is uncertain whether or not he or she is conflicted, he or she should err on the side of openness, declaring the issue and discussing it with the other trustees.

If a trustee is aware of an undeclared conflict of interest affecting another trustee, they should notify the other trustees or the chair.

2. Handle the conflict

Where there is a proposed financial transaction between a trustee and the charity, or **any transaction or arrangement involving trustee benefit** (whether directly or through a connected person)

- the affected trustee should declare the interest.
- the trustee benefit must be authorised in advance.
- the affected trustee must be absent from any part of any meeting where the issue is discussed or decided - the individual should not vote or be counted in deciding whether a meeting is quorate. Note that withdrawing from decision making means withdrawing when the initial discussions and

decisions take place, and from any subsequent discussion or decision making on the issue.

Where there is a **conflict of loyalty** and the affected trustee does not stand to gain any personal benefit:

- the affected trustee should declare the interest.
- the other trustees must then decide what level of participation, if any, is acceptable on the part of the conflicted trustee. Ultimately it is for the trustees to decide whether withdrawal is in the best interests of the charity when this type of conflict has been declared. The options might include, but are not limited to, deciding whether the trustee:

- having registered and fully declared the interest, can otherwise participate in the decision
- can stay in the meetings where the decision is discussed and made but not participate
- should withdraw from the decision making process in the way described

In deciding which course of action to take, the other trustees:

- must always make their decisions only in the best interests of the charity
- should always protect the charity's reputation and be aware of the impression that their actions and decisions may have on those outside the charity

3. Record the Conflict

Trustees' declarations of conflicts of interest and decisions relating to them must be recorded in the meeting minutes. Where there is a conflict of interest, the trustees should ensure that the written record of the decision shows:

- the nature of the conflict
- which trustee or trustees were affected
- whether any conflicts of interest were declared in advance

- an outline of the discussion
- whether anyone withdrew from the discussion
- how the trustees took the decision in the best interests of the charity

This Code of Conduct was adopted by North Luffenham Parish Council acting as Trustee of North Luffenham Recreation Ground and North Luffenham Field Gardens Charities at its meeting on 3 July 2017

Angela Ashpole
Parish Clerk