

# **UCEM (Board of Trustees) Conflicts of Interest Policy**

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**UCEM Policy**  
**(Board of Trustees) Conflicts of Interest**

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## Document History

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## **1. Introduction**

1.1 UCEM is committed to best practice in all aspects of governance. It aims to conduct its business in accordance with the following:

- The principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).
- The Committee of University Chairs (CUC) *Higher Education Code of Governance*.
- UCEM's own governing documents, the Royal Charter, Bye Laws and Regulations.
- The regulatory requirements of the Office for Students (OfS).
- Charity Commission guidance.

1.2 As part of this commitment, all members of the Board and its sub-committees are required to exercise independent judgement at all times in the best interest of UCEM. This includes fully disclosing any actual, perceived or potential conflicts of interests as these arise and, if necessary, abstaining from any involvement in the decision-making process.

## **2. Purposes of the policy**

2.1 It is the policy of University College of Estate Management ("UCEM") that all trustees must keep to an absolute minimum all unavoidable conflicts of interest between the interests of UCEM on the one hand and the personal, professional and business interests of the trustee concerned, and of persons connected with them, on the other. This Policy should be read in conjunction with [the Charity Commission: Conflicts of Interest: a guide for charity trustees](#) (CC29)

2.2 The purposes of this policy are:

- To provide clear guidance on identifying, declaring and managing conflicts of interest.
- To ensure that trustees comply with their legal duties including, in particular, those under charity law relating to conflicts of interest and their duty to act only in the best interests of UCEM;
- To protect the integrity of UCEM's decision-making process;
- To enable all outside parties dealing with UCEM to have confidence in UCEM's integrity; and
- To protect the integrity and reputations of UCEM's Trustees.

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2.3 This policy applies to all Trustees and External Representatives on the sub-committees.

### **3. What is a conflict of interest?**

3.1 The Charity Commission's guidance on conflicts of interests defines a conflict of interests as follows:

*Any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the charity.*

3.2 This definition includes actual and potential conflicts; a conflict of interest can relate to a trustee personally or to a person or business they are connected to through a family or business relationship.

3.3 Individuals are responsible for their own actions and must consider the consequences (both actual and perceived) of potential conflicts of interest. It is an individual's responsibility to recognise and declare any potential conflicts of interest that may impact their role at UCEM.

3.4 The types of relevant interests that should be declared include:

- Paid employment or self-employment
- Directorships
- Shareholdings
- Trusteeships
- Honorary/advisory positions
- Board/committee appointments
- Receipt of gifts and/or hospitality
- Close family interest in any of the above.

3.5 Conflicts of interest can come from the following areas:

- Direct financial gain or benefit to an individual, for example if a Trustee were paid by another organisation that does business with UCEM, or where a Trustee uses UCEM's facilities to pursue personal business, commercial or consulting activities.
- Indirect financial gain, for example, where a Trustee is able to use their influence to secure employment for a family member or to secure the award of a contract to an organisation that a friend or relative of that Trustee is involved with.
- Non-financial gain, for example where a Trustee is able to influence the staff recruitment or student admissions process to favour a family member or close friend.

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- Conflict of loyalties, for example where a Trustee has an interest in a separate organisation that is bidding against UCEM for work or where an individual is also an employee of a competitor organisation.

## **4. Disclosure of interests**

- 4.1 From the adoption of this policy, or upon being appointed as a Trustee, whichever is later, all trustees of UCEM will be required to make a full written disclosure of any business or personal relationships held, financial or property interests held, or gifts or hospitality received, that could potentially result in a conflict of interests – actual, perceived or potential (see appendix A). A declaration of interests form will be issued to Trustees and is to be used for this purpose. Any question about whether a trustee has an interest which should be disclosed should be referred, in the first instance, to the Chair of the Board or the University Secretary for a determination. The Chair / University Secretary will follow the checklist in appendix B when addressing a conflict of interest.
- 4.2 Written disclosures will be kept on a register maintained by the University Secretary / Clerk to the Board and all trustees will be required to update their disclosure as and when their circumstances change. All disclosures will also be reviewed on an annual basis at the beginning of each financial year. The register will be accessible by trustees and UCEM's internal and external auditors and a summary version is published on UCEM's Governance webpage.

## **5. Organisation of meetings where a trustee has disclosed an interest**

- 5.1 Where a trustee has previously disclosed an interest and the Chair / University Secretary is satisfied that the interest is relevant to an item on the agenda for a meeting of the board or of a board sub-committee the trustee concerned may not be sent the papers in respect of that item.

## **6. Decisions made other than at meetings**

- 6.1 In cases where decisions are made by way of a written resolution of the trustees, any trustee who has disclosed an interest considered by the Chair / University Secretary to be relevant to the matter to be decided by the procedure adopted will not be sent the proposed resolution and will not be allowed to vote on it.

## **7. Management of conflicts of interests in meetings**

- 7.1 In the course of meetings of the Board, or Board Sub-Committees, all trustees will be required to disclose any interests they have in a transaction or decision where they, their

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family, their employer or their close business or other associates will or may receive a benefit or gain (this includes any non-material gain such as receiving information in relation to a matter a trustee is conflicted for). Even if the trustee, or person connected to the trustee, does not receive a gain but there is a conflict of loyalty by virtue of the trustee owing a duty to some other organisation/person, the same procedure applies.

- 7.2 If there is a failure to declare an interest that is known to the Chair, the Chair will declare that interest. After disclosure of any such interest, in the case of a meeting, the trustee concerned will be asked to leave the room (unless expressly invited to remain, possibly in order to provide information on the matter in hand) whilst the matter is discussed. The trustee will not be counted in the quorum for that part of the meeting and will not be permitted to vote on the question.
- 7.3 In the case of all other activities, the trustee will not be permitted to participate in the consideration or discussion of the matter other than to disclose his or her conflict of interest.
- 7.4 All decisions of the Board or Committee made following the declaration of a conflict of interest will be reported in the minutes of the meeting. The report will record:
- the nature and extent of the conflict;
  - which trustee(s) were affected;
  - an outline of the discussion; and
  - the actions taken to manage the conflict, whether anyone withdrew from the discussion and how the trustees took the decision in the best interests of the charity.
- 7.5 Where a trustee benefits from any such decision, this will be reported in the annual report and accounts in accordance with relevant accounting requirements.
- 7.6 The Chair and the University Secretary are responsible for determining where a material conflict of interest exists and how this should be managed/resolved.

## **8. Failure to disclose a relevant interest**

- 8.1 The decision of the Chair as to whether a trustee has failed to disclose a relevant interest shall be final. Failure to disclose a conflicting interest may lead to a trustee being in breach of this policy. It may also result in the trustee being subject to legal action and personal liability for breach of trust. Such breaches may lead to UCEM considering the possibility of suspending or terminating the appointment of the trustee.

## **9. Benefits for Trustees**

- 9.1 Trustee benefit includes 'any' payments or benefits (property, loans, goods or services) to trustees or a connected person. It is a basic principle of charity law that charity trustees should not benefit from their position (either directly or indirectly, unless they have an

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adequate legal authority to do so. Trustees are, however, entitled to be reimbursed for expenses actually and reasonably incurred in undertaking the business of the charity.

9.2 Examples of Trustee Benefits might be (but are not limited to) where the trustees decide to:

- Sell, loan or lease charity assets to a charity trustee
- Acquire, borrow or lease assets from a trustee for the charity
- Pay a trustee for carrying out their trustee role
- Pay a trustee for carrying out a separate paid post within the charity, even if that trustee has recently resigned as a trustee
- Pay a trustee for carrying out a separate paid post as a director or employee of the charity's subsidiary trading company
- Pay a trustee or a person or company closely connected to a trustee for providing a service to the charity
- Employ a trustee's spouse or other close relative at the charity (or the charity's subsidiary trading company)

9.3 The Charities Act 2011 provides a detailed process whereby, exceptionally, charity trustees or persons connected to them may be allowed to receive payment from the funds of the charity for goods or services provided by them to the charity under a contract for services. This procedure must be followed if a trustee wishes to receive such a payment.

9.4 Legal authority is required where there is a possibility of benefit. This means that trustees must ensure that there is a proper legal authority for any situations where trustees could benefit – Charity Commission authority will be required in order to demonstrate that the transaction is in the interests of the charity. Specifically, where this concerns any sale or lease of charity land to a trustee or to a person/company closely connected with a trustee, this must be authorised by the Charity Commission (even if the disposal is at full market value).

9.5 Charity trustees are not allowed to receive remuneration simply for undertaking their duties as a trustee without the consent of the Charity Commission. This is only granted in exceptional circumstances. Similarly, charity trustees are not allowed to be employed by the charity under a contract of service save where allowed by the charity's governing document, or by law, or with the consent of the Charity Commission, which is only granted in exceptional circumstances.

## **10. Examples of situations where a conflict of interest occurs**

The Charity Commission's guidance on conflicts of interests provides a number of examples set out below where a conflict of interest may occur:



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- 10.1 **Trustee Benefits** - A charity has some empty office space and its trustees are considering letting it to a company owned by one of the trustees. This would be seen as a trustee benefit as it would involve a transaction with a business owned by a trustee and the trustees can only proceed with the transaction once they have a proper authority for the trustee benefit. In cases which involve a property transaction with a connected person, the trustees must get authorisation from the Charity Commission and comply with the conditions in the Charities Act 2011 before proceeding.
- 10.2 **Conflicts of loyalty** – An individual is a trustee for two charities planning to bid for the same service provision contract. This conflict of interest is a loyalty conflict. It does not involve benefit to the trustee, but the trustee’s decision at either charity could be influenced by his or her knowledge of and duty to the other charity. This means that the trustee cannot fulfil his or her duty to either charity to make decisions only in its best interests.
- 10.3 **Membership of another organisation** – An educational charity is making a decision about delivering a programme of work at an education institution, including one where one of its trustees is a member. This conflict is a conflict of loyalty because the trustee has a connection with the education institution through his or her membership. However, the trustees may conclude that this is a low risk conflict of loyalty which, once declared, does not need to prevent the trustee from participating because:
- 10.3.1 the trustee’s connection to the educational institution is through membership only;
- 10.3.2 the trustee’s membership is likely to have no bearing on her approach to the decision; and any benefits to the educational institution’s members which result from the decision will only affect the trustee in the same way as other members.

## **11. Data Protection**

- 11.1 The information provided in disclosures will be processed in accordance with the data protection principles **under the General Data Protection Regulation (2016/679), the Data Protection Act 2018 and any amendment or update to that legislation** Data will be processed only to ensure that trustees act in the best interests of UCEM. The information provided will not be used for any other purpose.

## **12. Review of this policy**

- 12.1 This Conflicts of Interest policy will be monitored and reviewed on an annual basis by the University Secretary or more frequently should circumstances change. It will be re-approved by the Board of Trustees annually.
- 12.2 It is the responsibility of the University Secretary and Clerk to the Board to enforce the effective operation and practice of the Conflicts of Interest policy and associated procedures.

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### Appendix A: Conflicts of Interest Declaration Form

UCEM Trustees - Register of Interests / Declaration of Conflicts of Interest	
<p>University College of Estate Management needs to be aware of situations where there is a potential conflict of interest and a register of interests assists the process of identifying related parties. Asking for this information in advance adds transparency and enables the institution to enter into such transactions knowingly. The interests of Trustees, members of the same household, close family members and business partners should be disclosed. So employment, directorships, trusteeships of charities, companies where more than 20% of shares are held or ownership as a sole trader or in partnership of a business must be disclosed on this form.</p>	
<p>Please complete the following information, sign and return to Lyndsay Hughes, even if there are no interests to declare.</p>	
Name of Trustee	
Date of Appointment	
Month/Year of birth	
Phone Number	
Email	
Current paid employment (including work as a partner, sole practitioner or in any other remunerated position, whether full or part time) and any previous relevant employment in which you continue to have a financial interest	
Directorships, trusteeships and appointments (whether paid or unpaid)	
Membership of public bodies (whether appointed or elected) i.e. bodies funded wholly or partly from the public purse, special interest groups or mutual support organisations	
Membership of professional bodies, professional societies or associations	
Membership of any other body concerned with issues relating to UCEM or which could give rise to the appearance that it might affect decisions or actions taken by UCEM	
Have you, in any capacity, supplied and/or tendered to supply goods and/or services to UCEM since your last declaration? If so please give details including the monetary value of any goods or services supplied	
Please declare any relationship by birth, marriage or otherwise to any existing Trustee, External Representative or member of staff of UCEM which you recognise to be relevant to this register, stating the name and relationship. Please also declare if you have any close relative or relationship in an external organisation which may have an interest in UCEM and if any trading transactions are likely to arise	
Have you, your spouse or partner or any close family member, received any gift or any other material advantage arising from your position with UCEM, from any company, organisation or person, in the UK or abroad since your appointment or previous declaration? If so please give details (name and address) of the donating body and state the nature and value of the benefits (only benefits with a monetary value of £50 or more need be declared)	
Please state any other conflicts that are not covered by the above	

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### Appendix B: Addressing a conflict of interest

