



Kennett Community Land Trust

Conflict of Interest Management Policy

Kennett Community Land Trust is a Community Benefit Society registered with the FCA under number 7443, registered office 66 Station Road, Kennett, Newmarket CB8 7QF

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Introduction

The use of transparent mechanisms to manage conflicts of interest, thereby ensuring probity in Trustees' actions and decisions, is vital to protect both the Kennett Community Land Trust (KCLT) and individuals.

Trustees (along with staff and volunteers) have a legal obligation to act in the best interests of KCLT and in accordance with the Constitution and Code of Conduct. They must not, excepting reimbursement of out-of-pocket expenses, receive any benefit from KCLT in return for a service provided, unless such benefit is expressly authorised by KCLT governing document.

Conflicts of interest may arise where an individual's personal or family interests and/or loyalties conflict with those of KCLT; such conflicts can inhibit free discussion, result in decisions that are not in KCLT's best interests and/or risk the impression that KCLT has acted improperly. In terms of reputation, the latter risk may be the most serious. A conflict of interest which is not managed properly, and which leads to a financial benefit to the Board member, may lead to allegations of breach of trust and criminal proceedings.

Purpose

The risk of actual and apparent conflicts of interest

As a charitable registered society under the Co-operative and Community Benefit Societies Act 2014, KCLT is committed to achieving good outcomes for the local community and the highest standards of good governance in all its activities. KCLT is under an obligation to achieve good value for money.

KCLT is keen to use local goods and service providers where they offer good value for money. This will help support the local economy and increase social cohesion. However, KCLT recognises that, because its Trustees, staff members and volunteers are almost all residents, there is an increased risk of personal connections between those selecting goods and service providers and those running the businesses concerned. Such personal connections can lead to actual conflicts of interest and biased decision making.

KCLT is keen to have some of its residents serving as Trustees, to improve accountability and ensure its policies are appropriate and clear. However, such resident Trustees must not be able to gain personal benefit from their position.

KCLT also recognises that apparent conflicts of interest (that do not actually result in KCLT making a different choice or receiving poor value for money) are to be avoided as far as possible, to help maintain confidence in KCLT's role as manager of many of the local community's key assets.

For the purposes of this policy, those who may be viewed as making or influencing KCLT decisions include its Trustees, co-optees, employees, consultants and volunteers taking on specific roles for KCLT, and residents involved in formal constituted groups (whether established on a long-term basis or ad-hoc).

Potential Conflicts of Interest

These can arise in many ways and include:

Direct financial gain or benefit to a Board member

- Payment to a Board member for services provided to the charity
- Payment for acting as a Board member
- Trustees acting as (paid) Directors of subsidiary trading companies
- Sale of land or property to a Board member
- Use of a Trustee's property by the charity (for financial gain)

Indirect financial gain or benefit to a Trustee

This arises most commonly when a close relative of the Board member is employed by the charity (where the Board member could be seen to benefit indirectly from remuneration to that employee).

Application

KCLT will apply the principles set out in this Policy fairly, openly and transparently, whilst respecting so far as possible the privacy of personal information. KCLT will apply the provisions of this Policy to all those who may be viewed as making or influencing KCLT decisions.

Section C of this Policy sets out how breaches of this Policy will be dealt with.

Express Provisions of the Rules

KCLT will always act within its Rules. If anything within this policy conflicts with KCLT's Rules, the Rules will take priority.

The main provisions of the Rules regarding conflicts of interests are:

D16 No board member, co-optee or member of a committee shall have any financial interest in any contract or other transaction with the CLT or with any other group member, or be granted a benefit by the CLT, unless such interest or benefit:

D16.1 is expressly permitted by these rules or under any determination or guidance by the Regulator from time to time; or

D16.2 would not be in breach of, and would not be inconsistent with, any determination, guidance, standard or code published by the Regulator or any code of conduct and/or governance adopted by the board.

D17 Any board member, co-optee or member of a committee, having an interest in any arrangement between the CLT and someone else shall disclose their interest, before the matter is discussed by the board or any committee. Such disclosure must comply with any code of conduct and/or governance adopted by the board from time to time. Unless it is expressly permitted by these rules, they shall not remain present (unless requested to do so by the board or committee), and they shall not have any vote on the matter in question.

The provisions of the Rules regarding the interests of members of the board who are resident in KCLT homes are:

D25 Trustees, co-optees or members of committees who are residents of the CLT [...] shall be deemed not to have an interest [...] in any decision affecting all or a substantial group of residents of the CLT.

D26 The grant of a tenancy, licence or lease by the CLT [...] at the direction of another body or on a basis which is consistent with any applicable guidance, determination, standard or code of practice of the regulator (or any code of conduct and/or governance of the board from time to time, adopted by the board) to a board member, co-optee or member of a committee is not the grant of a benefit or the purpose of rule D16.

Responsibility

The Board has overall responsibility for keeping KCLT's policies and procedures up to date and ensuring they are implemented.

If you have any questions on this Conflict Management Policy or any of the issues covered within it, please contact the Secretary at the address at the KCLT registered address.

This Policy may only be amended with the approval of the Board.

Measures to Manage Conflicts

Trustees must recognise the importance of ensuring probity, both financial and moral, in all aspects of KCLT's work. This must include ensuring that Trustees do not use any involvement they may have in other organisations to influence, whether positively or negatively, any decisions they make about KCLT. It is the Trustees' paramount duty to always act in the best interests of KCLT.

It is the responsibility of individual Trustees to make a judgement about whether a connection elsewhere creates a conflict of interest with any given issue on a KCLT agenda, and to openly declare the potential conflict of interest if required. This should be done by making the Secretary aware of any such issues prior to the start of KCLT meetings, and by publicly declaring the possible conflict of interest at the start of the relevant item. It will be up to the Chair to decide whether the Board member should leave the meeting for the duration of the relevant item, or whether he or she should be asked not to take part in any decision on the item.

It is unlikely that passive membership of a cognate organisation would lead to a conflict of interest. Trustees recognise that they are likely to have interests beyond KCLT, and these should not present any issue so long as Trustees respect and adhere to their duty to act in the best interests of KCLT whilst representing the organisation.

Trustees' Declarations

Rule D21 of the Rules states:

D21 Every board member, co-optee and member of a committee shall ensure that the secretary at all times has a list of:

D21.1 all other bodies in which they have an interest as:

D21.1.1 a director or officer or

D21.1.2 a member of a firm or

D21.1.3 an official or elected member of any statutory body or

D21.1.4 the owner or controller of more than two per cent of a company the shares in which are publicly quoted or more than ten per cent of any other company

D21.2 any property owned or managed by the CLT which they occupy; or

D21.3 any other significant or material interest.

KCLT trustees will declare, on an annual basis, any organisations of which they are a member, or in which they hold a position of general control, management or influence. Trustees of KCLT are required to update their declaration under Rule D21 every year and also to declare their employment status and employer's name. They are also required to declare whether their immediate family members have any connections with or interests in any organisations or businesses that have, or may in the future have, a business relationship with KCLT, including businesses who are under an obligation to contribute to KCLT's estate service charges. This declaration will be required immediately following the Annual General Meeting, and the results will be collated into a Register of Interests which will be available for inspection at all KCLT meetings. The Chair will remind KCLT about their obligations in respect of potential conflicts of interest at the start of each KCLT meeting and update the Register if necessary.

The Chair and Secretary of KCLT shall review the declarations of Trustees and discuss them with the relevant board member if there are ambiguities or missing information or if a conflict seems likely to arise. The Chair and Secretary shall also review each other's declarations. Where any particular board member seems likely to be put in a position of actual or apparent conflict of interest on a regular basis, the Chair and Secretary shall consider with that board member whether they will still be able to contribute to the board's work despite implementation of the procedures described below, or whether they should step down from the board. If agreement on the way forward is not reached, the Chair or Secretary shall seek professional advice on whether the person should be formally removed from their position on the board and present such advice to the board for a decision.

Any person interested in standing for election to the board will be asked to make the same declarations in their written statement under Rule D14. Where a conflict seems likely to arise, before recommending that person as a candidate for appointment to the board the Chair or the Secretary shall seek professional advice on whether their appointment would be appropriate given their declarations.

Rule D2.3 permits local authority persons to be appointed to the board provided no more than one third of the board consists of such persons. The board does not anticipate that any ongoing position of conflict would result from such appointments, and notes that the local authority has its own rules regarding conflicts of interest.

Trustees not acting as staff members or contractors

Rule D2.2 permits employees of KCLT to be appointed as Trustees provided no more than one third of the board are employees. However, the board, by approving this Policy and until it approves later amendment, directs that no person should be an employee and a board member at the same time.

Rule D23.3 allows KCLT to pay reasonable remuneration, fees, allowances or recompense for loss of earnings to Trustees, co-optees and members of committees. Such remuneration may recognise the importance of the skills and experience that the board member contributes to the board but must not constitute regular wages or a salary for a set number of hours' work done for KCLT.

Any board member who wishes to become an employee or to offer business goods or services to KCLT shall resign from the board before any arrangement agreed with KCLT commences.

Trustees who are residents in KCLT homes

Rule D2.4 (subject to Rules D8.8 and D8.9) permits residents in KCLT homes to be appointed as Trustees provided there is at least one member of the board who is not a resident. As set out at 3.3 above, Rule D26 confirms that Trustees can be allocated homes and granted tenancy renewals provided the procedures in the relevant policies are followed.

As set out at 3.3 above, Rule D25 allows resident Trustees to vote on changes to policies that affect all or a substantial group of KCLT's residents.

Resident Trustees who wish to make any representation regarding a decision that directly affects them must raise the matter with the relevant KCLT staff member or follow the procedure in the Appeals and Complaints Policy. No such representation shall be made at any board meeting or (except under stage 2 of the Appeals and Complaints process) directly to the Chair. If the board of Trustees considers such representation under stage 3 of the Appeals and Complaints process, then the board member concerned shall have no right to address the board or to make any additional statements beyond those which any other complainant has the right to make.

Procedures at Meetings

When the Secretary circulates the agenda for each board meeting, they shall request all those invited to attend to check the agenda and declare any expected conflicts to the Secretary in advance of the meeting. If any person invited to attend a board meeting is unsure whether or not they have a conflict of interest in relation to any of the agenda items, they should explain the situation to the Secretary and the Secretary will give their view as to whether or not there is an actual or apparent conflict and which agenda items it applies to. The Secretary shall seek professional advice where appropriate.

At each meeting of the board, before any items of business are discussed, the Secretary shall invite those present to declare any interests they or their immediate family members may have in any of the business listed on the agenda. The Secretary shall also report the names of any attendees who have previously declared a conflict under paragraph 9.1 and

the item to which it relates (keeping the details of the conflict confidential so far as possible unless the relevant attendee agrees to disclosure).

Rule D17 (as set out at 3.2) requires any board member, co-optee or other person present at a board meeting who has a conflict of interest in any matter to be discussed by the board to remove themselves from the discussion and vote. If the board is aware of a conflict but the person refuses to leave the meeting at the relevant agenda item, the Secretary shall share any professional advice obtained with the Chair or (where the Chair is the board member concerned) the board as a whole. Rules D18 and D19 state:

D18 Subject to rule D19, if a question arises at a meeting of Trustees or of a committee of Trustees as to the right of a board member to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair, whose ruling in relation to any board member other than the chair is to be final and conclusive.

D19 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the Trustees at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

The minutes of each board meeting shall record the point at which any board member left the meeting due to a conflict of interest. The board member may be invited to re-join the meeting once that item of business has been concluded, and the minutes shall note any re-joining.

Where the removal of a board member from consideration of a particular item at a meeting result in the number of Trustees at the meeting not reaching the quorum, the meeting shall be adjourned insofar as it relates to that item but can continue in relation to other items on the agenda where the board member is able to re-join the meeting.

The procedures shall be applied as appropriate to all meetings of any committee or other formally constituted group of KCLT.

Volunteers, Employees and Consultants

Where a conflict of interest arises in relation to the role that any volunteer, employee or consultant has with KCLT, the relevant line manager shall consider and discuss whether the role can be adapted to remove the conflict or whether the volunteer, employee or consultant should cease to carry out the role. The line manager's recommendations shall be put in writing and sent to the Secretary with a copy to the volunteer, employee or consultant concerned.

Where the Secretary has any concerns about the line manager's written recommendations, the Secretary can investigate the situation and if appropriate seek professional advice. Otherwise, the Secretary shall ensure all necessary steps are taken to implement the recommendations and shall add a note to the written recommendations to record the date on which that has been completed.

Knowledge of Policy

Trustees and members of committees and other formally constituted groups of KCLT will be required to sign a written confirmation that they have read and understand the Policy.

Volunteers, employees and consultants shall be required to confirm in writing that they are not aware of any conflict of interest involved in their role with KCLT and that they will declare any conflict of interest to their line manager or the Secretary promptly after they become aware of it.

Advice

Advice should be sought from the Secretary if an attendee is unsure about how the provisions of this Policy should be applied. Where appropriate, the Secretary or the Chair should seek professional advice on conflicts of interest issues.

Dealing with Breaches

KCLT encourages board meeting attendees to err on the side of caution when declaring possible conflicts of interest, bearing in mind the impacts of apparent conflicts of interest and the importance of maintaining trust and confidence in board discussions. Trustees must raise any conflict themselves and must not rely on the Secretary or the Chair recognising a conflict from the board member's yearly declaration.

Where a conflict of interest becomes apparent after a meeting, the Secretary shall approach the meeting attendee concerned to discuss why the conflict was not declared in advance or at the meeting. The Secretary shall provide the person with a copy of this Policy and ask whether the person needs any help to understand its provisions. The Secretary shall then give a written report to the Chair on the matter and shall copy the report to the person concerned.

The board intends to enforce the obligation to declare conflicts of interest by taking steps under Rule D9.2 to remove any board member who deliberately fails to observe it and by instructing the Secretary not to invite any non-Trustees who breach it to further meetings.

Any deliberate failure by a volunteer, employee or consultant to declare a conflict of interest shall be treated as a disciplinary matter or a repudiatory breach of their agreement with KCLT.

Equality, Diversity and Inclusion

KCLT is committed to promoting equality, diversity, and inclusion in all aspects of its work. We believe that embracing diversity strengthens our community, enhances our services, and reflects our core values of respect, fairness, and integrity.

We aim to create an environment where everyone feels valued, respected, and empowered—regardless of their background, identity, or circumstances.

We will apply this policy consistently and fairly and will not discriminate against anyone based on any protected characteristics, including those set out in the Equality Act 2010

Review and Monitoring

- The Board has overall responsibility for implementing and monitoring this policy as set out above
- This policy will be reviewed every three years or following legislative changes

Related Policies and Document

This policy needs to be read alongside KCLT's other policies and procedures including:

- Anti-Bribery Policy
- Finance Policy
- Whistleblowing Policy
- Tendering or procurement procedures
- HR policies and staff contracts of employment
- Any terms of reference for formal constituted sub-committees.
- Privacy Policy

Policy Review Record

Version Number	Status	Revision Date	Summary of Changes
Version 01	Approved	October 2028	New Policy

I confirm that I have read and understand the Conflict of Interest Policy. If the situation arises I will immediately declare any conflict of interest to the Secretary or my Line Manager

Name

Signature

Date