



**West Somerset Railway Heritage
Trust**
Registered Charity No. 265564



Conflicts of Interest for Directors/Trustees

What is a Conflict of Interest?

- 1) A Conflict of Interest is any situation in which a Director/Trustee's (or a partner's) personal or pecuniary interests or interests which they owe to another body arise simultaneously or appear to clash.
- 2) We recognise that it is inevitable that Conflicts of Interest occur. The issue is not the integrity of the Director/Trustee concerned but the management of any potential to profit from a person's position as Director/Trustee or for a Director/Trustee to be influenced by conflicting loyalties. Even the appearance of a conflict of interest can damage the company's reputation, so conflicts need to be managed carefully. Provisions relating to the avoidance or management of Conflicts of Interest for Directors/Trustees are contained in the Companies Act, Section 175 of the Act. This section covers the duty to avoid a Conflict of Interest, and states that "*a director of a company must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company*".
- 3) The need to declare and manage conflicts of interest does not just apply to Directors/Trustees. The Committee on Standards in Public Life (the Wicks Committee) set up by the Government with the aim of ensuring the highest standards of propriety in public life acknowledged the need to declare and manage conflicts of interest in its '*Seven Principles of Public Life*' which it believes should apply to everyone who holds a public office.

These principles state that: 'holders of public office should declare any private interests relating to their public duties and should take steps to resolve any conflicts in a way which protects the public interest.'

Declaration of Interests.

- 1) The Chairman and Vice Chairman will discuss the potential for any conflicts of interest with new Directors/Trustees and to ask that the Form at '*Appendix 1*' is completed before they are appointed.
- 2) The West Somerset Railway Heritage Trust Ltd asks its Directors/Trustees to declare their interest and any gifts or hospitality received in connection with their role in the organisation.
 - A Declaration of Interests form is provided for this purpose, listing the types of interest that should be declared.
 - To be effective, declaration of interests need to be updated annually and when any changes occur. Directors/Trustees are responsible for notifying any changes to the

Secretary as soon as possible. Any Director who is not sure what to declare or whether their declaration needs to be updated should err on the side of caution.

- Interests will be recorded on the West Somerset Railway Heritage Trust Ltd.'s Register of Interests which will be maintained by the Secretary and will be accessible by the Chairman, Directors/Trustees, and the Company's Auditors.

Managing Conflicts of Interest

- 1) All Directors/Trustees need to be alert to possible conflicts of interest which they might have and to how they can minimise the effects. A key aspect of minimising the effects of conflicts of interest is to be open and transparent about such situations as and when they arise. All Directors/Trustees should advise the Secretary of any actual or potential conflicts of interest of which they are aware as they arise. This would be a standing item on the agenda of Board meetings.

Procedures to Follow when a Director/Trustee is subject to a Conflict of Interest.

- 1) The removal of the Director/Trustee concerned from the decision making process, in relation to that conflict.
- 2) Managing the conflict of interest once a decision has been made.
- 3) Recording details of the discussions and decisions made.
- 4) At the beginning of any meeting, every Director/Trustee should declare any private interest which he or she has in an item to be discussed and certainly before any discussion of the item itself. Simply declaring that a conflict exists and withdrawing from the discussion and any decision making will be all that is required if the Director/Trustee is not receiving any material benefit because of the conflict of interest.
- 5) Conflicts of Interest need to be managed carefully. Provisions relating to the management of Conflicts of Interest for Directors/Trustees are contained in the Companies Act section 175. A Director/Trustee's Conflicts of Interest shall be updated annually each January – see *Appendix 1*.

Primary Author, David Baker, Director/Trustee of the WSRHT (formally the West Somerset Steam Railway Trust) April 2017.

DOCUMENT CONTROL

THIS DOCUMENT IS NOT CONTROLLED ONCE PRINTED

Version No	Date Approved	Revision
0.1	April 2017	First Issue of document
		Review Date: April 2020
0.2	June 2022	Appendix 1 Introduced, Policy Reviewed. Draft for Approval
0.3	July 2022	WSRHT Board Approved. Next Revision due July 2025

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Appendix 1

West Somerset Railway Heritage Trust Conflict of Interest.

I, as a Trustee/Director of the West Somerset Railway Heritage Trust (WSRHT) have set out below my interests in accordance with the organisation's Conflicts of Interest policy, this form shall be updated annually each January.

Category	Please give details of the interest and whether it applies to yourself or, where appropriate, a member of your immediate family, connected persons of some other close personal connection.
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise), e.g., Trustee/Directorships, directorships, local authority membership, tribunals etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings, and any beneficial interests.	
Gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months in relation to the WSRHT and/or its work as a charity.	
Any contractual relationship with WSRHT or its partners.	
Any other conflicts that are not covered by the above such as other railway heritage or non-railway heritage bodies.	

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: