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# **CLUB SUPPORT FACTSHEET**

# CONFLICT OF INTERESTS AND LOYALTY

It's important that conflicts of interest and loyalty for your committee members are recognised, recorded and managed, to promote integrity and transparency. The chair is ultimately responsible for managing conflicts of interest and loyalty in general and at each meeting.

### What is a conflict of interest?

A conflict of interest arises when an individual, who is in a position to influence a decision within an organisation, has the potential to exploit that position to benefit personally, for a friend, family member or another connection, at the expense of the organisation's best interests. A committee member would have a conflict of interest if they (or their family) would be set to benefit personally from a committee decision.

## What is a conflict of loyalty?

A conflict of loyalty is more subtle but may happen a lot in athletics as passionate volunteers may sit on the committees of multiple athletics groups or other organisations which share the same goals. For example, if a club committee member is also on the committee for a competition provider or county association they need to ensure their decisions do not unfairly benefit their other athletics commitments but are what is best for sport.

## Example

One of your committee members owning a local building company at the time that your club is looking to build an extension for the clubhouse. Although the club has not yet contracted that company, since the committee member is in a position to influence which company the club use, it has become a conflict of interest for that individual. In theory, that committee member could sway the decision to use their company, even though they know it's not the best choice for the club. It could be the case that the committee member's company is the best to use, but the committee member should be open about the relationship from the beginning and not involved in the decision making process over which building company to use. This way they can't be accused of influencing the decision for personal gain at the expense of the club.

"Conflicts of interest are recognised, managed by the chair and recorded. At least three of the people on the committee are neither related to, nor cohabiting with other committee members"

Sport England Code of Sports Governance and in England Athletics Club Standards

Note: Conflicts of interest does not mean that your committee members have done something wrong. It's often inevitable that conflicts of interest arise; what's important is that they are recognised and handled appropriately, so as not to risk your club's integrity or reputation.

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# Top Tip

Recruiting volunteers to your committee with a diverse range of interests and connections can help strengthen the group and avoid any perception that the committee might be biased. For example, a club committee with most members from one section of the club might give the impression that other sections are not considered, and decisions are made that could favour certain groups of members.

# Recognising and recording conflicts of interest

- 1. All new committee members should be asked to make a declaration as part of the appointment process and these will be held by the club.
- 2. Should a committee member become involved with any potential conflicting interest during the year, it is their responsibility to inform the committee chair immediately.
- 3. Should a committee member have any financial interest, direct or indirect, in any matter being considered at a meeting it is their responsibility to disclose this either at the meeting or as soon as possible after the meeting and to withdraw from the meeting during the consideration of the matter.
- **4.** Once committee members have disclosed conflicts of interest, it is a good idea to capture these using a register of interests. This can be a simple document summarising any current or potential conflicts your committee members have.
- 5. All committee members should be contacted annually with a request to complete a new declaration if their circumstances have changed from those originally declared on appointment.



**Note:** Making sure this information is recorded demonstrates that the committee are aware of the conflicts and are taking steps towards managing them. It promotes transparency for your club members, and reduces the risk of your integrity being questioned later in time.

# Managing conflicts of interest

Declaring and recording your interests is good practice, but if decisions are still influenced by these connections at the expense of the club, it hasn't really helped protect your integrity! Taking action to manage these conflicts of interest is just as important. Managing conflicts of interest could involve excluding a committee member with a personal connection from related meetings or decision making processes, so as to ensure that only the club's best interests are considered. It's usually up to the chair to consult with the rest of the committee to decide how to act. Whatever action is taken, make sure this information is captured either in the meeting's minutes or on the register of interests.



- Implement a conflict of interest/loyalty policy
- Request committee complete a conflict of interest form
- Create a conflict of interest register