

S|DC|7.22.11.09|01

**Item No:** 2  
**Topic:** Declarations of Interest  
**Status:** For Note  
**Meeting:** Wednesday, 9 November 2022  
**Sponsor:** Clerk of the MSU Student Senate, Dillon Grace

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## Declarations of Interest

### Background:

#### What is a conflict of interest?

A conflict of interest is any situation in which a member of the MSU Student Senate's personal interests or loyalties could, or could be seen to, prevent the member of the MSU Student Senate from making a decision in the best interests of the organisation. This personal interest may be direct or indirect and can include interests of a person connected to the member of the MSU Student Senate. See the section below for further information on who is a 'connected person'.

#### Types of conflict of interest

A conflict of interest exists when the interests of the organisation with:

- the interest of a person or organisation that appointed you as a member of the MSU Student Senate (an appointment conflict),
- or your own personal or business interest in relation to that matter (a personal conflict).

#### Who is a 'connected person'?

Section 2(2) of the Charities Act 2009 sets out what is meant by a 'personal connection'. Persons who may be classed as a 'connected person' in respect of a member of the MSU Student Senate include:

- a parent, brother, sister, spouse, grandparent or grandchild of the individual, or a child of the spouse of the individual;
- any person the individual is in a partnership with;
- any person the individual is employed by under a contract of service;
- a body corporate if the individual has control of it, or if the individual and any of the above mentioned connected persons together have control over it.

#### Why it is important that members of the MSU Student Senate manage conflicts appropriately?

Conflicts of interest can and do arise from time to time within organisations. In reality, due to their funding structures, volunteer nature and recruitment practices, not-for-profits are more susceptible to conflicts of interests than other entities.

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The problem is not that conflicts of interest arise, but that they are not managed appropriately.

Failing to effectively manage conflicts of interest can negatively impact the organisation in terms of governance and associated reputational risk, where a conflict interferes with a member of the MSU Student Senate's actual or perceived ability to comply with their duty to act in the best interests of the organisation.