

CONFLICTS OF INTEREST POLICY

Trustee Conflict of Interest

All trustees of The Perranwell Centre will make decisions based only on what's best for the charity; and will strive to avoid any conflict of interest between the interests of the organisation on the one hand, and their personal, professional and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest that may affect the best interests of The Perranwell Centre.

The purpose of this policy is to protect the integrity of the organisation's decision-making process to enable our users to have confidence in our integrity, and to protect the integrity and reputation of trustees.

There are 2 common types of conflict of interest:

- **Financial conflicts** - when a trustee, or person or organisation connected to them, could get money or something else of value from a trustee decision. This does not include the payment of expenses.
- **Loyalty conflicts** - other reasons, a trustee might not be able to make decisions that are best for the charity.

Generally, a potential conflict of interest will occur when a trustee has a connection to another organisation or person that we have a financial, or other working arrangement with, either as:

- Family – his or her partner, child etc, or
- Organisation – as a trustee, board member, member of staff or similar.

Examples of conflicts of interest include:

- A trustee who is also a user and who must decide whether fees from users should be increased
- A trustee who is also on the committee of another organisation that is competing for the same funding
- A trustee who has an interest in a business that may be awarded a contract to do work or provide services for the organisation or who is related to such a person

Identifying Trustee Conflicts Of Interest

Upon appointment, each trustee will be asked to make a full, written disclosure of interests, such as relationships and posts held, that could potentially result in a conflict of interest. This written disclosure will be kept in a register of disclosures and will be updated as appropriate, but at least annually.

Conflict of interest is a standing item on all trustee board and committee agendas; the chairman will remind trustees at the start of each meeting that any interests must be declared.

In the course of meetings or activities, each trustee must disclose any interest in a transaction or decision where there may be a conflict between the organisation's best interests and the trustee's best interests, or a conflict between the best interests of two organisations with which the trustee is involved.

A record of any professional or personal interest that may make it difficult for a trustee to fulfil their duties impartially, or may create an appearance of impropriety, with any item on the agenda for that day's meeting is to be noted in the minutes of the meeting. Specifically:

- If a trustee is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the organisation, s/he must declare the nature and extent of that interest to the other trustees
- If a declaration of interest proves to be or becomes inaccurate or incomplete, a further declaration must be made
- Any required declaration of interest must be made before the charity enters into the transaction or arrangement
- A declaration is not required in relation to an interest of which the trustee is not aware or where the trustee is not aware of the transaction or arrangement in question. For this purpose, a trustee is treated as being aware of matters of which s/he ought reasonably to be aware.

After disclosure, the trustee must understand that they may be asked by the chair to leave the room for the discussion of a particular item and may not be able to take part in the decision, depending on the judgement of the other trustees present at the time.

Potential Trustee Conflict of Interest

A charity may pay and offer other material benefits to one or more of its trustees to provide services to the charity where the trustee board reasonably believes it to be in the charity's best interests to do so. The services in question must be ones which the charity trustee provides in addition to carrying out normal trustee duties. Any such proposal would be treated on a case for case basis and would only be approved subject to compliance with the Constitution and Charity Commission guidance.

Where an individual is not part of the decision-making process, there is no direct conflict of interest. However, where he/she has a relationship with the organisation or individual trustee/director, the perception could arise that the trustees have not acted in the organisation's best interests.

Managing Trustee Conflict of Interest

To manage these issues, the Board will ask themselves these kinds of questions:

- Is this the best use we might make of our limited resources?
- If so, might anyone else be able to provide this service?
- If there are others, in terms of cost, quality, availability etc, who would be the best provider?

Recording Charity Trustee Decisions

Conflicts of interest will be recorded in the minutes, together with the key points and decision(s) made, in sufficient detail to enable a reader to understand the issue and the basis on which the decision was made.

This policy is meant to supplement sections 6 and 7 of the Constitution. Trustees should respect its spirit as well as its wording. It aims to abide by the recommendations of the Charity Commission.