

Poole & District Children's Cancer Fund

Managing Conflicts of Interest Policy

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Introduction

Trustees of the Poole and District Children's Cancer Fund ("the Charity") must make decisions based only on what's best for the charity. Personal interests, or the interests of people or organisations connected to a trustee, must not influence the charity decisions.

Identifying conflicts of interest

There are 2 common types of conflict of interest: financial conflicts and loyalty conflicts.

1. Financial Conflicts

These conflicts happen when a trustee, or person or organisation connected to them, could obtain money or something else of value from a trustee decision.

They do not include a trustee's expenses.

Examples of financial conflicts of interest:

- pay a trustee for doing their trustee role (more than their expenses)
- employ or pay the trustee, or their relative, for some work for the charity.
- Sell, loan or lease charity assets to a trustee.
- Buy, borrow, or lease charity assets from a trustee.
- Buy goods from a business owned by a trustee.

2. Loyalty conflicts

These are other conflicts that are not about money or other trustee benefits. Loyalty conflicts can happen when a trustee might not be able to make decisions that are best for the charity.

Loyalty conflicts can occur if the charity's decision involves a person or organisation linked to a trustee. E.g.:

- the trustee's employer
- another charity where they are a trustee.
- the organisation that appointed them as a trustee

- their relatives or friends

There can be a conflict because the trustee's responsibility (or loyalty) to the other organisation or person could compete with their responsibility to the charity.

P.D.C.C.F policy for dealing with conflicts of interest.

1. Declare any conflicts of interest.

A trustee must tell the other trustees if they personally have a conflict of interest.

- The declaration of any personal conflict of interest must be identified and declared at the start of meetings. This will be a standard agenda item for each meeting.
- keep and update a register of interests.

A trustee must not ignore something that might be a personal conflict of interest or a conflict for another trustee.

If a trustee is unsure about a conflict of interest, then they should talk to the other trustees.

2. Consider removing conflicts of interest.

Trustees of the P.D.C.C.F must take action to prevent a conflict of interest from affecting a charity decision.

The action taken depends on the situation, but the decision must be based on what is in the best interests of the charity.

The trustees must consider if it is best for the charity to remove the conflict especially if it is a serious conflict e.g. a majority of trustees have a conflict; there is a single trustee with a commercial interest in the charity decision; the trustees decision involves significant money or risk, and there is a conflict.

In these situations, the following options should be considered to remove the conflict:

- change the plan.

- ask a conflicted trustee to resign.
- Do not appoint a conflicted person.
- Consider appointing additional trustees who are not affected by the conflict.
- If unsure, take legal advice.
- Consider asking the Charity Commission to authorise a decision.

If the trustees decide that removing a conflict of interest is not required, then the conflict should be managed as below.

3. Managing conflicts of Interest

- Trustees must ensure that any trustee payment or benefits are authorised. A trustee (or organisations or people connected to them) must not benefit from the charity, unless it's allowed by:
 - rules in the P.D.C.C.F. governing document
 - the law
 - the Charity Commission or the Court.

Prior to the P.D.C.C.F. trustees making a decision that is affected by a conflict of interest, then, **as a minimum**, the conflicted trustee must:

- leave the relevant discussions.
- not take part in the decision or vote.
- the conflicted trustee is not counted in the quorum.

The P.D.C.C.F. trustees are legally responsible for making sure that the process set out in this policy is followed.

4. Record keeping.

The P.D.C.C.F. will record the following:

- what the conflict was
- who or what it affected
- when it was declared



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- how the conflict was managed