



Conflict of Interest Policy

Introduction

All staff, volunteers, and Trustees of the Petuaria Community Centre will strive to avoid any conflict of interest between the interests of the Petuaria Community Centre on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest.

The purpose of this policy is to protect the integrity of the Petuaria Community Centre decision making process, to enable stakeholders to have confidence in the integrity of the Petuaria Community Centre, and to protect the integrity and reputation of volunteers, staff and Trustees.

What is a Conflict of Interest?

"A conflict of interest is any situation in which a Trustee's personal interests, or interests which they owe to another body, and those of the charity arise simultaneously or appear to clash. The issue is not the integrity of the person concerned, but the management of any potential to profit from a person's position within the Petuaria Community Centre, or for a person to be influenced by conflicting loyalties. Even the appearance of a conflict of interest can damage the charity's reputation, so conflicts need to be managed carefully."

Types of Interest which May Give Rise to Conflict

A. Financial Benefits or Interests

Direct financial benefits or interests include, for example, employment of the Trustee as an employee, consultant or advisor. Conflicts of interest in such cases are particularly serious and any financial benefit requires authorisation, usually by the Charity Commission.

Indirect financial interests may arise where such potential financial benefits accrue to a close member of the Trustee's family, or even a friend, business partner or colleague.

Not all benefits enjoyed by Trustees need to be authorised by the governing document, the Charity Commission or the Courts. It is perfectly acceptable to repay reasonable out-of-pocket expenses to Trustees. Any costs that are necessary to allow a Trustee to carry out his or her duties as a trustee can be classed as expenses and recovered from

the charity or met directly by the charity. Benefits that are available to all, or that are of inconsequential or little measurable value, will not normally need to be authorised.

B. Non-financial Benefits or Interests

These would include a situation where a Trustee directly or indirectly benefits from the Petuaria Community Centre services. An example relevant to the Petuaria Community Centre might be where it is proposed that a Trustee's business might sponsor a Petuaria Community Centre event: the Trustee's business would potentially derive a non-financial benefit from the sponsorship (in the nature of public relations exposure) and a conflict of interest would therefore arise between the Trustee's business interests and his/her role as a trustee. Such a conflict would need to be identified and managed in accordance with the procedures described below.

C. Conflicts of Loyalties

This is when another appointment or employment or association (of the Trustee or of a relative or friend) may potentially influence the decisions of the Trustee in directions which may not be in the best interest of the Petuaria Community Centre. It is expected that other charity roles, particularly as a committee member or employee, should be declared. Any association or relationship with a body or organisation which is or might become an applicant for funds from the Petuaria Community Centre must be declared.

Ultimately, it is not possible to define all the circumstances which may lead to a potential conflict of interest. It is the responsibility of each individual Trustee to declare any matters which he or she feels may present actual or potential conflicts, or the perception of such conflicts. If in doubt, it is better to make a declaration.

Disclosure

Upon appointment each Committee will make a full, written disclosure of interests (see appendix 1), such as relationships, and posts held, that could potentially result in a conflict of interest. This written disclosure will be kept on file and will be updated annually or as appropriate.

Handling a Conflict of Interest

In the course of meetings or activities, Trustees will disclose any interests 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 any organisations with which the Trustee is involved. If in doubt, the potential conflict must be declared and clarification sought.

In the case of a conflict of interest arising for a Trustee because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the memorandum or the articles, the "unconflicted" may authorise such a conflict of interests where the following conditions apply:

1. The Charity Commission's permission is sought before a benefit for a Trustee may be authorised that isn't otherwise authorised in the Memorandum of Articles or already authorised in writing from the Commission;
2. The Trustee who has declared the conflict of interest withdraws from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
3. The Trustee who has the conflict of interest does not vote on any such matter and is not to be counted when considering whether a quorum of committee members is present at the meeting;
4. The other Trustees who have no conflict of interest in this matter consider it is in the interests of the charity to authorise the conflict of interest in the circumstances applying.

Any such disclosure and the subsequent actions taken will be noted in the minutes.

For all other potential conflicts of interest the advice of the Charity Commission will be sought and the advice recorded in the minutes. All steps taken to follow the advice will be recorded.

This policy is meant to supplement good judgment, and staff, volunteers and Trustees should respect its spirit as well as its wording.