

Conflict of Interest Policy Updated January 2021

This policy is designed to help trustees (Board members) of the EACR to avoid conflicts of interest; and to act appropriately where a conflict of interest does arise. The policy also covers the receipt of gifts and hospitality.

1. The context

Trustees have a legal obligation to act in the best interests of the EACR and in accordance with the Articles of Association. A conflict of interest arises when a Trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the EACR. The trustees must manage any situation where a trustee has the potential to benefit personally from his or her position as trustee or is influenced by conflicting loyalties.

Interests can be financial or non-financial and direct or indirect. A direct financial interest arises where a trustee is, for example, selling an asset to the EACR or being paid for goods or services. A direct non-financial interest can arise where a trustee is a member of the EACR and benefits more than a typical member. An indirect benefit is one which accrues to a close member of the trustee's family, a business colleague or other close relationship. A conflict of loyalty arises where a trustee's decision-making is influenced by another appointment, employment or association of that trustee. This list of conflicts is not intended to be definitive or prescriptive. Each trustee is responsible for declaring actual or potential conflicts or the reasonable perception of such conflicts.

The policy for dealing with conflicts is set out below, including a Register of interests, loyalties, gifts and hospitality. Failure to disclose an interest may create significant risks for the EACR in terms of poor decision making and loss of reputation. A trustee who does not comply with this policy may be removed from office.

The purpose of this policy is to protect the trustees from these risks.

2. Declarations of interests: forms

Trustees should be meticulous about declaring any actual or potential conflicts of interest affecting themselves and connected parties¹.

Relevant interests and potential conflicts of interest should be declared in writing and regularly updated. The EACR asks trustees to declare their interests going back 5 years on a Declaration of Interests Form (appendix 1). The Declarations will be published on the EACR's website as a demonstration of the EACR's commitment to transparency as follows:

- Pre-selection: any prospective trustee is asked to complete a Declaration of Interests form as part of their nomination in order that issues can be explored during the nomination process.
- On appointment: every new trustee should complete a Declaration of Interests form (or amend the pre-selection form) at the time of appointment
- At the start of the new financial year in January and in July

¹ Spouse, civil partner, parent, child, sibling, grandparent, grandchild or any other close family member or person in a relationship with the trustee which might be regarded as equivalent and any company, firm or organisation of which the trustee is a director, shareholder, partner, employee or trustee.

- When anything significant changes

These forms comprise the EACR Trustee Register of Interests, Gifts and Hospitality, which may be made available to members of the public on request. The Register of Interests is reviewed annually by the EACR's accountants and auditors who will form a view as to whether any benefits need to be disclosed in the EACR's annual report and accounts.

3. Declarations of interests: meetings

In addition to section 2, trustees involved in EACR conferences or congresses should follow the EACR's policy for all speakers at its meetings, by confirming that there have been no changes to their declarations of interest and by showing a slide displaying their interests, using a template provided by the EACR.

A trustee must play no part in decisions where they have a conflict of interest.

Trustees must be able to identify conflicts of interest when they arise and to ensure, if they receive a material benefit as a result of the conflict of interest, that the benefit is authorised either by the EACR Articles of Association or by the Charity Commission.

If there is no material benefit to a trustee, no authority will be required, but the trustees will need to ensure that the conflict of interest is properly managed.

4. Management of a conflict of interest

When trustees meet, they must set aside all their outside interests and loyalties. If this is not possible, or if the conflicts are so frequent as to limit the effectiveness of a trustee, then that trustee must step down as an EACR Board member.

A trustee who has a financial interest in a matter under discussion should declare the nature of their interest and withdraw from the meeting, unless they have been given permission by the Chair to stay and either speak or not, as the case may be. Such a trustee may not vote.

A trustee who has any interest in a matter under discussion which creates a real or perceived risk of bias should declare the nature of the interest and withdraw from the meeting, unless they have been given permission by the Chair to stay and either speak or not, as the case may be. Such a trustee may not vote.

A trustee who has any other interest which does not create a real risk of bias, but which might reasonably cause others to think it could influence their decision, should declare the nature of the interest, but may remain in the meeting, participate in the discussion and vote if they wish.

If a trustee is in any doubt about the application of this policy, he or she should heed the spirit as well as the wording of the policy and consult the President.

If a trustee fails to declare an interest that is known to the President or Chief Executive Officer, the President or Chief Executive Officer will declare that interest.

Where the Board makes a decision on a matter in which a trustee has an interest, all decisions will be made by majority vote. A quorum must be present for the discussion and decision. The

conflicted trustee will not count towards the quorum. All decisions where there is a conflict of interest will be minuted accordingly to include:

- the nature, extent and value of the conflict
- which trustee was affected
- whether the conflict was declared in advance
- the discussion which took place
- the action taken to manage the conflict in the best interests of the charity

5. Gifts and hospitality

The EACR has a policy to deal with personal gifts or hospitality provided to trustees. This protects the trustees against the accusation that such gifts or hospitality are intended to influence the decisions they take in administering the EACR's affairs.

1. All gifts to and hospitality for trustees should be declared and recorded in the register of gifts kept for this purpose. The information recorded should include its estimated value, the date on which it was received, who it was given by and the reason for the gift
2. Gifts and hospitality should never be solicited
3. Gifts with a value of under £50 and hospitality with a value of under £100 can be accepted providing that the gift or hospitality is not given or accepted with an expectation that there is any obligation owed as a result of the gift. Usually but not always, the gift will not be specific to the EACR, for instance an accountant or lawyer may take a trustee to a dinner along with the trustees of other charities.
4. Where a gift or hospitality is received or offered which exceeds the value of £50/£100, the hospitality should be declined or the gift be returned to the sender, the market price should be paid or the gift should be donated to the EACR directly or to another charitable organisation as appropriate.
5. Gifts and hospitality intended to influence the decisions of trustees should never be accepted.