

# Glasgow Girls FC

## Conflict of Interest Policy

This policy applies to trustees and staff members and should be read in conjunction with the attached declaration of interest form.

### Why we have a policy

Trustees have a legal obligation to act in the best interests of the charity, and in accordance with the charity's governing document. Staff and volunteers have similar obligations. Conflicts of interests may arise where an individual's personal or family interests and/or loyalties conflict with those of the charity. Such conflicts may create problems

- Inhibit free discussion.
- Result in decisions or actions that are not in the interests of the charity; and
- Risk the impression that the charity has acted improperly.

### 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 Glasgow Girls FC (GGFC), 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

There are two main types of conflict of interest:

**Appointment conflict:** This is a conflict of interest which can arise between a charity trustee and the person or organisation which appointed them.

An example of an appointment conflict could be where a charity trustee is appointed by a partner organization and a decision is required on a matter which affects our charity and the other organization

**Personal conflict:** When you might not be able to do what is best for the charity because it conflicts with your own personal or business interest in relation to that matter

An example of a personal conflict might be when a charity is considering a contract with a business and one of the charity trustees is also a director of that business.

Where there is an 'appointment conflict' the charity trustee must put the interests of the charity first. However, where another duty prevents the charity trustee from putting the interests of the charity first, they must:

- disclose the conflict to the charity and
- not participate in any discussion or decision making on the matter.

It is important that even where there appears to be a conflict of interest, whether it materialises or not, you take appropriate steps to manage the conflict and be seen to be acting in the best interests of the charity.

## **Types of Interest which May Give Rise to Conflict;**

### **Financial Benefits or Interests**

Direct financial benefits or interests include, for example, employment of the Trustees as employee, consultant or advisor, or the situation where a company of which the Trustees is a director or shareholder, may be considered for a contract by the Charity. Other matters of financial interest include the sale of land or the use of a Trustee's property by the charity or granting of loans by the Trustees to the charity. Conflicts of interest in such cases are particularly serious and any financial benefit requires authorisation, usually by the Scottish Charity Regulator (OSCR). 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, OSCR 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. While the law states that Trustees cannot receive any benefit from their charity in return for any service they provide to the charity unless they have express legal authority to do so, some payments to Trustees are expressly allowed under the provisions of GGFC's Memorandum of Association:

### **Non-financial Benefits or Interests**

These would include a situation where a Trustee directly or indirectly benefits from GGFC's services. An example relevant to GGFC might be where it is proposed that a Trustee's business might sponsor a GGFC 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.

## **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 GGFC. It is expected that other charity roles, particularly as Trustee or employee, should be declared. Any association or relationship with a body or organisation which is or might become an applicant for funds from GGFC 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.

## **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 organisations' best interests and the Trustee's best interests or a conflict between the best interests of two organisations that the Trustee is involved with. If in doubt, the potential conflict must be declared anyway, 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" Trustees may authorise such a conflict of interests where the following conditions apply:

1. OSCR'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 OSCR;
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 Trustees 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.

## **The Declaration of Interests**

Accordingly, we ask that all trustees declare their interests, and any gifts or hospitality received in connection with their role in the charity. A declaration of interest's form is provided for this purpose, listing the types of interest you should declare. To be effective, the declaration of interests needs to be updated at least annually, and when any changes occur. If you are not sure what to declare, or whether / when your declaration needs to be updated, please err on the side of caution.

If you would like to discuss this issue, please contact the designated charity secretary for confidential guidance. Interests will be recorded on the charity's register of interests, which will be maintained by the charity secretary. The register will be accessible to trustees and senior members of staff.

### **Disclosure**

Upon appointment each Trustee 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

### **Data Protection**

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 1998 and GDPR. Data will be processed only to ensure that trustees and all staff act in the best interests of the charity. The information provided will not be used for any other purpose

Any such disclosure and the subsequent actions taken will be noted in the minutes. For all other potential conflicts of interest, the advice of OSCR 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 Trustees should respect its spirit as well as its wording. The policy will be reviewed annually.

Date Adopted: 5<sup>th</sup> April 2017

Date Reviewed: 23 June 2021

**Appendix 1:** Declaration of Relevant Interests Form I Trustee/Employee of GGFC have set out below my relevant interests in accordance with GGFC's Declaration of Interests Policy.

<b>Category</b>	<b>Please give details of the relevant interest and whether it applies to yourself or, where appropriate, a member of your immediate family or some other close personal connection</b>
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise) e.g., trusteeships, directorships etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings of more than 1% of issued capital and beneficial interests.	
Gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months.	
Any contractual relationship with GGFC	
Any other conflicts that are not covered by the above.	

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the Declaration of Interests Policy.

Signed:

Position:

Date: