



Conflict of Interest Policy

This Policy applies to:

The International Institute for Conservation of Historic and Artistic Works (IIC).

The Institute is a learned society, a company limited by guarantee registered in England and Wales (No. 481522) and a registered charity (No. 209677) IIC is registered for VAT (No. GB 241 0811 10)

Policy statement:

1 Background

- 1.1 A conflict of interest situation in which a Trustee's personal interest to another body, may (or may appear to) influence or affect the Trustee's decision-making. This is a broad definition and includes possible as well as actual conflicts. It also includes conflicts that arise indirectly, for example, because a person connected to the Trustee enters into an agreement with the Trust.
- 1.2 Trustees have a duty under the Companies Act 2006 to avoid conflicts of interest and to declare interest in any proposed or existing transaction or arrangement with the IIC.
- 1.3 Under charity law, Trustees have a similar duty to avoid, declare and manage conflict. They must also ensure that any benefit that they receive from IIC is authorised in the Articles of Association of IIC or by the Charity Commission or by the court.
- 1.4 This policy describes the basic principles but if in doubt declare your interest and seek specific advice from the Chair.
- 1.5 Trustees must comply with any provisions in the Articles of Association relating to conflicts of interest.

2 Person Connection to a Trustee

- 2.1 Conflicts may arise indirectly because of the interests of someone connected to the Trustee. For the purposes of this policy a connected person includes:

- 2.1.1 The Trustee's family – this includes a spouse, partner or person with whom the Trustee lives as a partner, a child or step-child, parent, grandchild, grandparent or sibling of the Trustee.
- 2.1.2 A company (body corporate in which the Trustee and connected persons own or control a voting interest of 20% or more;
- 2.1.3 A person acting as a trustee of a trust in which a Trustee or a connected person is a beneficiary;
- 2.1.4 A person acting in his or her capacity as a partner of the Trustee or of a connected person; and
- 2.1.5 A firm in which the Trustee or a connected person is a partner.

3 Categories of Conflicts

Conflicts that may result in a material benefit to a Trustee

- 3.1 Trustees cannot receive any material benefit (money or other property or services with a monetary value) from IIC unless they have express legal authority to do so. This authority can come from the Articles of Association, and or Memorandum of Association, statute or the Charity Commission.
- 3.2 The exceptions, where there is no need for express legal authority, are:
 - 3.2.1 payment of reasonable expenses (for example travel to meetings); or
 - 3.2.2 benefits that are of inconsequential or little measurable value;

All Conflicts of Interest

- 3.3 A very limited number of conflicts are permitted by the Articles of Association and/or Memorandum of Association.
- 3.4 Where a situation of conflict or a transaction or arrangement is permitted, the Trustee must declare his/her interest, but no further authorisation is required.
- 3.5 Where a situation of conflict or a transaction or arrangement is not permitted by the Articles of Association and/or Memorandum of Association, the conflict will need authorisation by the unconflicted Trustees (see further below. Authority should be obtained as soon as a situation exists where a conflict could arise – do not wait until the conflict actually occurs.
- 3.6 Examples include:
 - 3.6.1 a Trustee has an advisory or other relationship with another charity with similar charitable objectives.
 - 3.6.2 A Trustee learns of some opportunity at a board meeting which IIC does not wish to exploit but of which the Trustee wishes to take advantage.

Practice

- 3.7 IIC maintains a Register of Interest and each Trustee is required to complete a Declaration of interest Form (from the IIC Office). The information should be current and

should be updated as it changes – it is the Trustee’s duty to notify IIC of any changes and at this point a Trustee will be asked to complete a new declaration.

- 3.8 The register will be kept at IIC’s office and will be open to scrutiny by Trustees and senior staff unless the Trustee body believes reasonably that some or all of the information should remain confidential to Trustees.
- 3.9 At the beginning of every Council or Committee meeting the chair of the meeting will invite each Trustee to declare:
 - 3.9.1 any interests that he or she has, directly or indirectly, of which he or she has become aware which have not already been declared.
 - 3.9.2 any other potential conflicts of interest, whether direct or indirect, of which he or she has become aware which have not already been declared.
- 3.10 Where a conflict of interest or duty may arise in relation to a matter under discussion the unconflicted Trustees must decide whether authorising the conflict is in the best interest of IIC.
- 3.11 If the conflict arises because the Trustee has taken on an additional role with another organisation which has the potential to conflict with their role as a Trustee of IIC, leading to divided loyalty between the two organisations, Council will consider carefully whether to authorise the conflict and allow that Trustee to remain a Trustee. Of particular concern are:
 - 3.11.1 organisations that carry out similar activities to IIC;
 - 3.11.2 where the Trustee sits on the main governance board of the other organisation; or
 - 3.11.3 if the Trustee is the chair of the other organisation.
- 3.12 If Council decides not to authorise the conflict the Trustee will need to decide whether to continue as a Trustee or take steps to eliminate the conflict.
- 3.13 If Council decide to authorise the conflict they must decide whether the interest is:
 - 3.13.1 Category (a) – is trivial and does not create a real danger of conflict of interest and duty or bias or the appearance of bias;
 - 3.13.2 Category (b) – does not create a real danger of conflict of interest and duty or bias, but might reasonably cause others to think it could influence a decision;
 - 3.13.3 Category (c) - creates a real danger of conflict of interest and duty or bias (that is, the interest affects him/her, or a person or business connected to him/her, more than generally affected by the decision).
- 3.14 In the event that the interest falls into:
 - 3.14.1 Category (a) the Trustees may vote on the matter;
 - 3.14.2 Category (b) it shall be at the discretion of the other Trustees (who do not themselves have an interest in the matter) whether the Trustee may remain in the meeting, but the Trustee must not participate in the discussion, or vote, on the matter;

- 3.14.3 Category (C) the Trustee must leave the meeting (unless expressly invited to remain to provide information), or participate in the discussion (unless expressly invited to provide information), or be entitled to vote on the matter.
- 3.15 The decision as to how the conflict of interest is to be dealt with must be set out in a resolution of Council. The resolution may require other steps to be taken, for example, requiring information to be kept confidential or other undertaking to be given by the Trustee.
- 3.16 Trustees and Council should endeavour to ensure that a Trustee with a conflict of interest is not provided with information in that capacity which enables him or her to obtain any advantage. In particular, the person who is responsible for sending the information to Trustees prior to Council meeting should check the Register of interest and take any other reasonable steps to ensure that no information is sent to a Trustee who may have a conflict of interest relating to that information.
- 3.17 Council does not want to be in a situation where there is a member of Council who has a persistent, actual or potential conflict of interest, which makes the staff of IIC reluctant to provide full information to Council and constrains debate at meetings. If an existing Trustee makes the decision to take on another role which has potential for conflict of interest then Council will need to consider whether authorising the situation and allowing the Trustee to withdraw and not vote is sufficient, or whether the Trustee needs to resign.