1 Introduction

1.1 All Foundation Scotland [FS] Parties [see 2.1 below] will strive to avoid any conflict of interest between the interests of FS 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.

1.2 The purposes of this Conflict of Interest Policy are to:

- protect the integrity of FS's decision-making processes
- enable stakeholders to have confidence in FS's integrity
- protect the integrity and reputation of trustees, employees, and volunteers

2 Scope

2.1 This policy applies to all FS employees, trustees, designated agents, and selected contractors, hereafter referred to as "FS Parties".

3 Abbreviations and Definitions

Abbreviations

- CIP – Conflict of Interest Policy
- CFOO – Chief Finance and Operations Officer
- CEO – Chief Executive Officer

4 Policy

4.1 Trustees have a legal obligation to act in the best interests of FS and in accordance with FS's governing document. Other FS Parties have similar obligations.

4.2 Conflicts of interests may arise where an individual's personal or family interests conflict with those of FS. Such conflicts can:

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

4.3 Examples of conflicts of interest are:

- A trustee or employee is on a committee of another organisation that is competing for the same funding.

- A trustee or employee owns, manages or has shares in a business that may be awarded a contract to do work or provide services for FS.
- A trustee or employee is involved in the distribution of funds which benefits an organisation of which they are a member.
- An external assessor recommending a grant for approval when they are connected to the recipient.

Policy Detail

4.4 Accordingly, FS requires all FS Parties to declare their interests, and any gifts or hospitality offered and received in connection with their role in FS.

- For staff, Board and Committee Members there is an online Register of Interests system which is completed on appointment or when there are any significant changes.
- For external assessors an online form is circulated annually in April of each year. The link can however be used at any point in the year and again should be completed on appointment or when there are any significant changes when this is not in April.
- FS requires all suppliers and contractors engaged with the organisation to disclose any actual, potential, or perceived conflicts of interest prior to engagement. The FS contact initiating the contract is responsible for determining this and documenting it in the related supplier file. In cases where a conflict is identified, appropriate actions will be taken to mitigate any risk, up to and including refraining from entering or continuing an engagement.

4.5 If there is doubt as to what should be included on the declaration the person completing it should err on the side of caution and include the connection. Gifts and hospitality with a value of £100 and over must be included when they occur.

4.6 In the interests of transparency, the Register is available on our website.

Declaration of any conflict of interest is also a standing item for all Board and Board Committee meetings.

In Practice

4.7 If a person believes they have a perceived or real conflict of interest, they should:

- declare the interest at the earliest opportunity
- withdraw from discussions and decisions relating to the conflict

4.8 All decisions under a conflict of interest will be recorded and reported in the minutes of the meeting. The report will record:

- the nature and extent of the conflict
- an outline of the discussion
- and the actions taken to manage the conflict

4.9 Where a trustee benefits from the decision, this will be reported in the annual report and accounts in accordance with the Statement of Recommended Practice.

4.10 Where an employee is connected to a party involved in the supply of a service or product to FS, this information will be fully disclosed in the Annual Report and Accounts.

4.11 If a person fails to declare an interest that is known, the Line Manager and/or the CEO will declare that interest. Failure to disclose a conflict of interest may result in disciplinary action.

4.12 If an assessor fails to declare a conflict of interest, they will be permanently removed as a contractor by FS.

5 Roles and Responsibilities

5.1 All FS Parties are required to complete their Declarations of Interests when requested and at any point should the information change.

6 Training

6.1 There is no associated training with this Policy.

7 References

7.1 Institute of Chartered Secretaries and Administrators – Guidance note on conflict of interest policy, declaration form and register of interest for charity trustees. April 2014

8 Review

8.1 This policy is reviewed, approved, and endorsed by the Board of trustees. It is updated when required by legislation, to ensure that it reflects statutory responsibilities, government guidance and best practice for FS, or every 36 months whichever is the soonest.

9 Document Properties

Title	Conflict of Interest Policy		
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